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(Securities Code: 4974)

May 1, 2026

To our shareholders:

Tsuyoshi Miyamura, President & CEO
Takara Bio Inc.
7-4-38, Nojihigashi, Kusatsu-shi, Shiga

Notice of the Extraordinary Shareholders' Meeting

We are pleased to announce an extraordinary shareholders' meeting (the "**Extraordinary Shareholders' Meeting**") of Takara Bio Inc. (the "**Company**"), which will be held as indicated below.

When convening the Extraordinary Shareholders' Meeting, the Company takes measures to provide information that constitutes the content of reference documents for the general meeting of shareholders, etc. in electronic format (matters subject to measures for electronic provision), and posts this information as "**Notice of the Extraordinary Shareholders' Meeting**" on the Company's website. Please access the Company's website by using the Internet address shown below to review the information.

Company Website URL: <https://www.takara-bio.co.jp/ja/ir/stock/meeting.html> (in Japanese)

If you are unable to attend the meeting in person, you may exercise your voting rights via the Internet or in writing (by mail). Please review the Reference Documents for the Extraordinary Shareholders' Meeting and exercise your voting rights by Tuesday, May 19, 2026, at 5:30 p.m. (JST).

[Voting via the Internet]

Please review the "Instructions on Exercise of Voting Rights via the Internet" (in Japanese only), access the voting website designated by the Company, and enter your approval or disapproval of the proposals according to on-screen instructions by the voting deadline indicated above.

[Voting in writing (by mail)]

Please indicate your approval or disapproval of the proposals in the voting form and return it so that your vote is received by the voting deadline indicated above.

In addition to posting matters subject to measures for electronic provision on the website above, the Company also posts this information on the website of Tokyo Stock Exchange, Inc. (TSE). To access this information from the TSE website, access it (Listed Company Search) by using the Internet address shown below, enter the issue name (company name) or securities code and click "Search," and then click "Basic information" and select "Documents for public inspection/PR information."

TSE website (Listed Company Search) URL:

<https://www2.jpx.co.jp/tseHpFront/JJK010010Action.do?Show=Show> (in Japanese)

1. Date and Time: Wednesday, May 20, 2026, at 10:00 a.m. (JST)

2. Venue: Prince Hall, 3F, Lake Biwa Otsu Prince Hotel
4-7-7, Nionohama, Otsu-shi, Shiga

3. Purpose of the Meeting

Matters to be resolved:

Proposal No. 1 Share Consolidation

Proposal No. 2 Partial Amendments to the Articles of Incorporation

- If you attend the meeting in person, please present the voting form at the venue's reception. The reception desk is scheduled to open at 9:00 a.m.
- Please note that anyone other than a shareholder who is entitled to exercise voting rights (e.g., non-shareholding

- proxy, person accompanying the shareholder) will not be allowed inside the venue.
- If any revision is made to the matters subject to measures for electronic provision, notification to that effect, and the corrected and pre-corrected versions of these matters will be made available on the aforementioned website for matters subject to measures for electronic provision (on page 1).
 - Failure to indicate approval or disapproval of a proposal on the voting form will be treated as a vote in favor of the proposal.
 - In addition to the above, if any matter which should be communicated to shareholders arises after the notice of convocation is sent, we will post an announcement on the Company's website URL (<https://www.takara-bio.co.jp/ja/index.html>) (in Japanese).
 - Gifts will not be distributed.

Reference Documents for General Meeting of Shareholders

Proposals and Reference Information

Proposal No. 1: Share Consolidation

This proposal is to ask for the shareholders' approval for the consolidation of the ordinary shares of the Company (the "**Company Shares**"), whereby 15,332,374 shares of the Company Shares will be consolidated into one share (the "**Share Consolidation**"; the squeeze-out procedures by way of the Share Consolidation shall be referred to as the "**Privatization Procedures**") effective as of June 16, 2026, in order to delist the Company Shares in response to the results of the tender offer for the Company Shares by Takara Holdings, Inc. (the "**Tender Offeror**").

1. Reasons to Implement Share Consolidation

As announced in "Notice Concerning Expression of Opinion in Support of Tender Offer for Company Shares by Takara Holdings, and Recommendation to Tender Shares" published by the Company on February 13, 2026 (the "**Opinion Press Release**"), the Tender Offeror commenced a tender offer (the "**Tender Offer**") for the Company Shares on February 16, 2026, as part of a series of transactions to acquire all of the Company Shares listed on the Prime Market of the Tokyo Stock Exchange, Inc. (the "**TSE**") (excluding the treasury shares held by the Company and Company Shares held by the Tender Offeror (number of shares held: 73,350,000 shares, ownership ratio (Note 1): 60.91%) and to delist the Company Shares (the "**Transactions**").

Then, as announced in "Announcement of Results of the Tender Offer by Takara Holdings, the Parent Company of the Company, for the Common Stock of the Company" published by the Company on April 7, 2026, as a result of the Tender Offer, the Tender Offeror came to hold 105,083,101 shares (ownership ratio: 87.27 %) of the Company Shares as of April 13, 2026, the commencement date of settlement of the Tender Offer.

(Note 1) "Ownership ratio" means the ratio (rounded to two decimal places) of the number of shares obtained by deducting the number of treasury shares owned by the Company as of December 31, 2025 (133 shares) from the total number of issued shares of the Company as of the same date (120,415,600 shares), as stated in the "Consolidated Financial Results for the Nine Months Ended December 31, 2025 (Under Japanese GAAP)" publicly announced by the Company on February 13, 2026, resulting in 120,415,467 shares. The same shall apply hereinafter unless otherwise specified regarding the description of the ownership ratio.

While the details of the purpose and background of the Transactions, including the Tender Offer and the Share Consolidation, are as announced in the Opinion Press Release, the Company will explain them again below. Among the descriptions below, the descriptions regarding the Tender Offeror are based on the information published by the Tender Offeror and explanations received from the Tender Offeror.

(1) Circumstances Leading to the Establishment of the Review System

Following notice from the Tender Offeror that it had commenced consideration of the implementation of the Transactions on October 1, 2025, the Company submitted a response on October 10, 2025, stating that it would begin a preliminary review for the implementation of the

Transactions, and subsequently, on October 30, 2025, the Company received a preliminary proposal via a letter of intent. After receiving such proposal, in reviewing the Transactions and conducting discussions and negotiations with the Tender Offeror regarding the Transactions, in light of the facts that the Tender Offeror is a controlling shareholder (parent company) of the Company, that the Transactions, including the Tender Offer, constitute a material transaction with a controlling shareholder, and that the Transactions are of a type in which there are typically issues of structural conflicts of interest and information asymmetry, in order to address these issues and to ensure the fairness of the Transactions, on November 11, 2025, the Company appointed Oh-Ebashi LPC & Partners (“**Oh-Ebashi**”) as a legal advisor independent of both the Tender Offeror Group (referring collectively to the Tender Offeror, as well as its 68 subsidiaries (including the Company) and 2 affiliates (as of February 13, 2026); the same applies hereinafter) and the Company Group (referring collectively to the Company and its 9 consolidated subsidiaries (as of February 13, 2026); the same applies hereinafter), as well as the outcome of the Transactions, and on November 11, 2025, appointed Daiwa Securities Co., Ltd. (“**Daiwa Securities**”) as a financial advisor and third-party valuation agency independent of both the Tender Offeror Group and the Company Group. To ensure the fairness of the Transactions, based on the advice from such advisors, the Company immediately commenced the establishment of a framework to review, negotiate, and determine the Transactions from a position independent of the Tender Offeror, with a view to enhancing the corporate value of the Company and ensuring the interests of the general shareholders of the Company. Specifically, after proceeding with the preparation of the establishment of a special committee, by resolution at the extraordinary meeting of the Board of Directors held on November 11, 2025 (including subsequent amended resolution; the same applies hereinafter), the Company established a special committee (the “**Special Committee**”) composed of 3 members consisting of Ms. Nobuko Kawashima (external Director, independent officer), who has extensive practical experience at a financial institution and a business corporation, as well as extensive academic knowledge gained from serving as a professor of economics at a university, Mr. Kunihiko Kamada (external Auditor, independent officer), who has advanced expertise and knowledge in legal affairs as an attorney, and Mr. Yasuo Himeiwa (external Auditor, independent officer), who has extensive practical experience at an audit firm as a certified public accountant and experience and knowledge gained from involvement in the management of multiple domestic business corporations (regarding the background of review and details of determinations by the Special Committee, please refer to “(iii) Establishment of an independent special committee and obtainment of a recommendation from the special committee by the Company” in “(4) Measures for Ensuring the Fairness of the Tender Offer Price, Measures for Avoiding Conflicts of Interest, and Other Measures for Ensuring the Fairness of the Transactions” in “3. Matters Concerning the Appropriateness of the Provisions Regarding the Matters Specified in Items (i) and (iii) under Article 180, Paragraph 2 of the Companies Act (Matters Concerning the Appropriateness of the Provisions Regarding the Ratio of Consolidation)” below). On November 11, 2025, the Board of Directors of the Company consulted the Special Committee regarding the following matters (collectively, “**Consultation Matters**”): (i) the reasonableness of the purpose of the Transactions (including whether the Transactions contribute to the enhancement of the corporate value of the Company); (ii) the fairness and appropriateness of the terms and conditions of the Transactions (including the price of the Transactions); (iii) the fairness of the procedures, including the negotiation process leading up to the Transactions; and (iv) based on (i)

through (iii) above; a) advise whether it is appropriate for the Board of Directors of the Company to make a decision to implement the Transactions (i.e., express its opinion in support of the Tender Offer, recommend that the Company's shareholders tender their shares in the Tender Offer, and implement the procedures necessary to make the Company a wholly owned subsidiary); b) state opinions on whether such decision making by the Board of Directors is fair and appropriate for the general shareholders of the Company; and c) ultimately compile a report and submit it to the Board of Directors of the Company. Furthermore, in establishing the Special Committee, the Board of Directors of the Company resolved that: (i) the Board of Directors of the Company shall make decisions with the utmost respect to the determinations made by the Special Committee; and (ii) if the Special Committee does not determine that the terms of the Transactions are fair and appropriate, the Board of Directors of the Company shall resolve not to support the Transactions on such terms and shall grant the Special Committee: (i) the authority to receive information from the Company's officers and employees necessary for the review and determination of the Transactions; (ii) the authority to express opinions to the Company regarding negotiations on matters including the terms and conditions of the Transactions; (iii) the authority to approve (and ratify) the Company's external expert advisors appointed by the Company; (iv) the authority to seek advice from the Company's external expert advisors at the Company's expense; and (v) the authority to appoint the Special Committee's own external expert advisors at the Company's expense (regarding the method of resolution at such meeting of the Board of Directors, please refer to "iii) Establishment of an independent special committee and obtainment of a recommendation from the special committee by the Company" in "(4) Measures for Ensuring the Fairness of the Tender Offer Price, Measures for Avoiding Conflicts of Interest, and Other Measures for Ensuring the Fairness of the Transactions" in "3. Matters Concerning the Appropriateness of the Provisions Regarding the Matters Specified in Items (i) and (iii) under Article 180, Paragraph 2 of the Companies Act (Matters Concerning the Appropriateness of the Provisions Regarding the Ratio of Consolidation)" below).

As described in "iii) Establishment of an independent special committee and obtainment of a recommendation from the special committee by the Company" in "(4) Measures for Ensuring the Fairness of the Tender Offer Price, Measures for Avoiding Conflicts of Interest, and Other Measures for Ensuring the Fairness of the Transactions" in "3. Matters Concerning the Appropriateness of the Provisions Regarding the Matters Specified in Items (i) and (iii) under Article 180, Paragraph 2 of the Companies Act (Matters Concerning the Appropriateness of the Provisions Regarding the Ratio of Consolidation)" below, pursuant to the above authority, on December 12, 2025, the Special Committee decided to appoint Yodoyabashi & Yamagami LPC ("**Yodoyabashi & Yamagami**") as its own legal advisor independent of the Tender Offeror Group and the Company Group, as well as the outcome of the Transactions, and appoint Plutus Consulting Co., Ltd. ("**Plutus**") as its own financial advisor and third-party valuation agency independent of the Tender Offeror Group and the Company Group, as well as the outcome of the Transactions.

Furthermore, as described above, the Special Committee confirmed that, regarding Daiwa Securities, the Company's financial advisor and third-party valuation agency, and Oh-Ebashi, the Company's legal advisor, there is no issue with their independence from the Tender Offeror Group and the Company Group and the outcome of the Transactions, or their expertise, achievements, etc. and approved their respective appointments.

In addition, as described in "vii) Establishment of the independent review system in the

Company” in “(4) Measures for Ensuring the Fairness of the Tender Offer Price, Measures for Avoiding Conflicts of Interest, and Other Measures for Ensuring the Fairness of the Transactions” in “3. Matters Concerning the Appropriateness of the Provisions Regarding the Matters Specified in Items (i) and (iii) under Article 180, Paragraph 2 of the Companies Act (Matters Concerning the Appropriateness of the Provisions Regarding the Ratio of Consolidation)” below, the Company established an internal system to review, negotiate, and determine the Transactions from a position independent of the Tender Offeror Group (including the scope and duties of the Company’s officers and employees involved in the reviews, negotiations, and determinations regarding the Transactions) and obtained the approval of the Special Committee that there is no issue with the independence and fairness of such review system.

(2) Circumstances Leading to Reviews and Negotiations

The Company received from Daiwa Securities a report regarding the valuation results of the Company Shares, advice on negotiation strategies with the Tender Offeror, and other financial advice, and further received from Oh-Ebashi advice on measures to ensure the fairness of procedures in the Transactions and other legal advice. Based on such report and advice, the Company carefully discussed and reviewed the merits and appropriateness of the Transactions while respecting, to the fullest extent, the details of the opinions of the Special Committee.

Specifically, after receiving the letter of intent on October 30, 2025, the Company proceeded with reviews and discussions by the Special Committee, and on November 28, 2025, the Special Committee submitted written questions to the Tender Offeror regarding the significance and purpose of the Transactions. Thereafter, on December 11, 2025, the Tender Offeror provided written responses to such questions. Then, at the meeting of the Special Committee held on December 17, 2025, a question-and-answer session was conducted regarding such written questions, and opinions were exchanged concerning the significance and purpose of the Transactions. Furthermore, on December 23, 2025, the Company and the Special Committee submitted additional written questions regarding the significance and purpose of implementing the Transactions, as well as the terms, etc. of the Transactions. Then, on January 7, 2026, the Tender Offeror provided written responses to such questions.

Regarding the purchase price per share of the Company Shares in the Tender Offer (the “**Tender Offer Price**”), the minimum number of shares to be purchased, and the tender offer period, the Company held multiple rounds of negotiations with the Tender Offeror since January 15, 2026. Specifically, as a result of a comprehensive consideration of the information obtained through the due diligence conducted by the Tender Offeror on the Company, the preliminary analysis of the value of the Company Shares conducted by Nomura Securities Co., Ltd. (“**Nomura Securities**”), the financial advisor, based on such information, and the preliminary analysis of the value of the Company Shares conducted by the Tender Offeror based on such information, on January 15, 2026, the Company and the Special Committee received the first proposal regarding the Transactions from the Tender Offeror, to set the Tender Offer Price at 950 yen (representing premiums of 16.28% on 817 yen, the closing price of the Company Shares on the Prime Market of the TSE as of January 14, 2026, which is the business day immediately preceding January 15, 2026; 19.20% on 797 yen, the simple average closing price for the one-month period preceding such date; 12.03% on 848 yen, the simple average closing price for the three-month period preceding such date; and 7.83% on 881 yen,

the simple average closing price for the six-month period preceding such date, respectively), set the minimum number at two-thirds of the total number of issued shares of the Company (excluding treasury shares), minus the number of the Company Shares held by the Tender Offeror, and set the tender offer period at 34 business days in order to provide the general shareholders of the Company with sufficient time for consideration. However, on January 20, 2026, the Company and the Special Committee requested the Tender Offeror to reconsider not only the Tender Offer Price but also the tender offer terms, including the minimum number and tender offer period, comprehensively, stating that such price was not recognized as being at a level that sufficiently considered the interests of the general shareholders of the Company. In response thereto, on January 21, 2026, the Tender Offeror submitted the second proposal to set the Tender Offer Price at 1,020 yen (representing premiums of 23.94% on 823 yen, the closing price of the Company Shares on the Prime Market of the TSE as of January 20, 2026, which is the business day immediately preceding January 21, 2026; 26.08% on 809 yen, the simple average closing price for the one-month period preceding such date; 21.57% on 839 yen, the simple average closing price for the three-month period preceding such date; and 15.78% on 881 yen, the simple average closing price for the six-month period preceding such date, respectively) without change to the minimum number and the tender offer period. However, on January 23, 2026, the Company and the Special Committee requested the Tender Offeror again to reconsider the Tender Offer Price, as such price was still not recognized as being at a level that would sufficiently ensure the interests of the general shareholders of the Company, in light of a) the market price trends of the Company Shares over the past year, in which, following two downward revisions to earnings forecasts (for the fiscal year ended March 31, 2025 and the fiscal year ending March 31, 2026), the price of the Company Shares as of the business day following the announcement of each downward revision temporarily fell by over 10% compared to the previous business day, b) premium levels in a total of 82 past similar cases (privatization cases by way of tender offers by parent companies intended to make certain companies their wholly owned subsidiaries, conducted between June 28, 2019, on which the Fair M&A Guidelines were published, and November 28, 2025; the “**Similar Past Cases**”) (the median premiums of 38.0% on the closing prices of the target companies’ shares as of the business day immediately preceding the base date; 39.9% on the simple average closing prices for the one-month period preceding such business day; 39.5% on the simple average closing prices for the three-month period preceding such business day; and 38.0% on the simple average closing prices for the six-month period preceding such business day, respectively), and c) the details of the analysis of values of the Company Shares conducted by Daiwa Securities, the financial advisor of the Company, and Plutus. Thereafter, upon receiving the request from the Company and the Special Committee, on January 27, 2026, the Tender Offeror submitted the third proposal to set the Tender Offer Price at 1,080 yen (representing premiums of 33.50% on 809 yen, the closing price of the Company Shares on the Prime Market of the TSE as of January 26, 2026, which is the business day immediately preceding January 27, 2026; 32.19% on 817 yen, the simple average closing price for the one-month period preceding such date; 30.28% on 829 yen, the simple average closing price for the three-month period preceding such date; and 22.59% on 881 yen, the simple average closing price for the six-month period preceding such date, respectively). However, on February 3, 2026, the Company and the Special Committee requested the Tender Offeror to reconsider the Tender Offer Price, stating that it would still be impossible to recommend that the Company’s general shareholders tender their shares at such price.

Thereafter, upon receiving the request from the Company and the Special Committee, on February 5, 2026, the Tender Offeror submitted the fourth proposal to set the Tender Offer Price at 1,110 yen (representing premiums of 38.23% on 803 yen, the closing price of the Company Shares on the Prime Market of the TSE as of February 4, 2026, which is the business day immediately preceding February 5, 2026; 36.36% on 814 yen, the simple average closing price for the one-month period preceding such date; 36.03% on 816 yen, the simple average closing price for the three-month period preceding such date; and 26.71% on 876 yen, the simple average closing price for the six-month period preceding such date, respectively). However, on February 6, 2026, the Company and the Special Committee requested the Tender Offeror to reconsider the Tender Offer Price, stating that such price was still not at a level that would be sufficient to recommend that the Company's general shareholders tender their shares and that if such price did not reach a sufficient level, it would be necessary to consider setting a "Majority of Minority." Thereafter, upon receiving the request from the Company and the Special Committee, on February 9, 2026, the Tender Offeror submitted the fifth proposal to set the Tender Offer Price at 1,150 yen (representing premiums of 44.29% on 797 yen, the closing price of the Company Shares on the Prime Market of the TSE as of February 6, 2026, which is the business day immediately preceding February 9, 2026; 41.10% on 815 yen, the simple average closing price for the one-month period preceding such date; 41.45% on 813 yen, the simple average closing price for the three-month period preceding such date; and 31.58% on 874 yen, the simple average closing price for the six-month period preceding such date, respectively). As a result, on February 9, 2026, the Company and the Special Committee submitted a response stating that they would coordinate toward expressing their opinion in support of the Tender Offer and recommendation to tender, with the Tender Offer Price set at 1,150 yen as proposed by the Tender Offeror, as such price level could be seen as being comparable to the premium levels in the Similar Past Cases.

Throughout the above review and negotiation process, the Company, in its discussions and negotiations with the Tender Offeror regarding the Tender Offer Price, conducted its review based on the opinions obtained from the Special Committee and advice received from Daiwa Securities and Oh-Ebashi. During this process, the Special Committee received advice from Plutus and Yodoyabashi & Yamagami, its advisors, as needed, exchanged opinions with the Company and its advisors, and conducted confirmation and provided approval as necessary. Specifically, first, the reasonableness of the content, important conditions precedent, and background of the preparation of the business plan of the Company (the "**Business Plan**") (Note 2) that the Company presented to the Tender Offeror and that Daiwa Securities and Plutus used as the basis for the valuation of the Company Shares, was reviewed and approved in advance by the Special Committee. In addition, Daiwa Securities, the financial advisor of the Company, conducted negotiations with the Tender Offeror in accordance with the negotiation policy deliberated and decided upon in advance by the Special Committee. Furthermore, upon receiving any proposal from the Tender Offeror regarding the Tender Offer Price, Daiwa Securities immediately reported such proposal to the Special Committee each time, then received opinions, instructions, and requests from the Special Committee regarding the negotiation policy, etc. with the Tender Offeror, and acted accordingly.

(Note 2) The Business Plan was prepared by the Company after the commencement of review of the Transactions, in parallel with the draft medium-term management plan that the Company began considering around July 2025 (the "**Draft Medium-Term Management**

Plan”; since once the Transactions are implemented, the Company will become a wholly owned subsidiary of the Tender Offeror, the Draft Medium-Term Management Plan is not yet finalized as a medium-term management plan at the time of the submission of the recommendation, and no resolution by the Board of Directors or public announcement is scheduled), the details of the Business Plan are identical to those of the Draft Medium-Term Management Plan through its sixth year; however, for the seventh and subsequent years, which fall outside the scope of the Draft Medium-Term Management Plan, the Business Plan has been prepared independently. Furthermore, in preparing the Business Plan (limited to the portion through the sixth year, which overlaps with the Draft Medium-Term Management Plan), Mr. Tsuyoshi Miyamura, Representative Director of the Company and a former employee of the Tender Offeror, was involved. As his knowledge and experience were considered indispensable, there would have been significant concerns regarding the feasibility and adequacy of the Business Plan if he had not been involved. Therefore, it is highly necessary to involve him in the preparation of the Business Plan, and accordingly he has been involved in the preparation process of the Business Plan. It should be noted that his involvement was limited to the confirmation of the Business Plan prepared by the Corporate Development Department of the Company (limited to the portion through the sixth year, which overlaps with the Draft Medium-Term Management Plan) and provision of comments aimed at boosting profits, and that he did not personally lead the preparation of the Business Plan. In addition, regarding the appropriateness of the comments made by him (the fact that none of which were intended to diminish the business plan), the Company has obtained confirmation from all of the internal Directors of the Company (Mr. Junichi Mineno, Mr. Katsuhiko Kusakabe, and Mr. Yoh Hamaoka) excluding those with special interests. Additionally, the above matters have been approved by the Special Committee.

Then, on February 12, 2026, the Company received the report (the “**Recommendation**”) from the Special Committee stating that: i) the Transactions are considered to contribute to the enhancement of the corporate value of the Company, and the purpose of the Transactions are considered to be reasonable; ii) the fairness and appropriateness of the terms of the Transactions (including the Tender Offer Price) are considered to be ensured; iii) the fairness of the procedures related to the Transactions is considered to be ensured; iv) based on i) through iii) above, the Transactions are considered to be fair to the general shareholders of the Company; and v) it is considered appropriate and fair to the general shareholders for the Board of Directors of the Company to express its opinion in support of the Tender Offer and to express its opinion to recommend that the Company’s shareholders tender their shares in the Tender Offer (for an overview of the Recommendation, please refer to “(iii) Details of decisions” in “(iii) Establishment of an independent special committee and obtainment of a recommendation from the special committee by the Company” in “(4) Measures for Ensuring the Fairness of the Tender Offer Price, Measures for Avoiding Conflicts of Interest, and Other Measures for Ensuring the Fairness of the Transactions” in “3. Matters Concerning the Appropriateness of the Provisions Regarding the Matters Specified in Items (i) and (iii) under Article 180, Paragraph 2 of the Companies Act (Matters Concerning the Appropriateness of the Provisions Regarding the Ratio of Consolidation)” below).

(3) Details of Decision

Under the above circumstances, at the meeting of the Board of Directors of the Company held on February, 13, 2026, the Company carefully discussed and reviewed whether the Transactions, including the Tender Offer, would contribute to the enhancement of the corporate value of the Company, and whether the terms of the Transactions, including the Tender Offer Price, were fair and appropriate, by taking into account the legal advice received from Oh-Ebashi, the financial advice received from Daiwa Securities, and the contents of the share valuation report regarding the Company Shares received from Daiwa Securities on February 13, 2026 (the “**Share Valuation Report (Daiwa Securities)**”), as well as the legal advice received from Yodoyabashi & Yamagami through the Special Committee, and the contents of the share valuation report regarding the Company Shares received from Plutus through the Special Committee on February 12, 2026 (the “**Share Valuation Report (Plutus)**”), while respecting, to the fullest extent, the details of the determinations made by the Special Committee shown in the Recommendation.

As a result, as stated below, the Company has also concluded that it will contribute to the enhancement of the corporate value of the Company to make the Company a wholly owned subsidiary through the Transactions, including the Tender Offer by the Tender Offeror.

(A) Maximization of growth potential

In the “Takara Bio Group Medium-Term Management Plan 2026,” the Company established the following as its business strategies: “Establish our status as a global platform provider responsible for the infrastructure in the life sciences industry,” “Improve the global manufacture and marketing system,” “Make the quality control processes more solid and efficient, and strengthen technological capabilities for manufacture,” “Maximize the value of fundamental biologics development technologies,” and “Accelerate the development of new products and services by selecting and concentrating on research and development projects.”

The Company believes that the Tender Offeror Group has established its position as one of the leading manufacturers in Japan with unique strengths in the alcoholic beverages and food sectors, as the Tender Offeror Group possesses global network for sales and procurement that extends beyond Japan, in addition to technical expertise in fermentation, as well as a stable and efficient manufacturing system that have been cultivated over many years through the development and manufacturing of sake, shochu, and seasoning products where it holds top-tier market share in Japan. On the other hand, while the Company is advancing its business to expand sales of the Company’s reagent products and contract services related to genetic analysis in the CDMO business from research and development applications to industrial applications, the Company has not fully grasped the needs in industrial fields other than research and healthcare and has not fully exploited the opportunities to expand its business into these fields. The Company believes that by leveraging the expertise and know-how regarding manufacturing, development, and sales cultivated by the Tender Offeror Group through years of business operations, as well as its extensive global network, the Company will be able to achieve the development and research of new products and services, expansion of sales for industries other than healthcare, and business development of new business fields, such as the fields of environment, manufacturing/energy, marine, and food/plants, and thereby establish its status as a global platform provider responsible for infrastructure in the broader field of the life sciences industry.

Since, at the present time, both the Company and the Tender Offeror are independently listed companies, certain constraints have existed on deeper collaboration due to structural conflicts of interest that may arise between the Tender Offeror and the general shareholders of the Company. However, the Company believes that, following the Transactions, it will be possible to align the interests of the Tender Offeror Group and the Company while simultaneously enabling more flexible and swift decision-making by the Company, and that this will enable the Company to strengthen technological capabilities for manufacturing, including promoting manufacturing efficiency and improving the levels of manufacturing management and quality control, within the business of the Company. The Company also believes that by enabling close business collaboration at all times, regardless of whether it is new or existing, including the sharing of manufacturing, management, and sales know-how more than ever before, the Company will be able to maximize its growth potential. Furthermore, the Company can expect that, since the constraints on swift and flexible information sharing between listed companies that have existed between the Tender Offeror under the previous situation where both parent and subsidiary are listed will be resolved through the Transactions, the Company will be able to engage in personnel exchanges with the Tender Offeror in areas where the employees of the Company lack experience, and that, since the employees of the Company will be able to enjoy opportunities to acquire the Tender Offeror's expertise in factory management and overseas experience, the Company will be able to enhance its employees' skills, which will enable the Company to secure and develop the specialized personnel essential for executing its growth strategy. In addition, the Company can expect that, since the constraints on information sharing will be resolved through the Transactions, the Company will be able to engage in closer information exchange and collaboration with the Tender Offeror, which has been insufficient due to constraints on free opinion exchange and information sharing regarding technological inventions and know-how arising from the current conflicts of interest issues that have existed due to the situation where both parent and subsidiary are listed, and that this will enable broader collaboration for joint development and the creation of new products and services.

The Company can expect that, since both the Company and the Tender Offeror share the "TaKaRa Five Values" (Note 3) that represent the values of the Tender Offeror Group, including the Company, as well as corporate culture and climate, collaboration between both parties following the Transactions will proceed smoothly, which will enable the relatively early achievement of the aforementioned synergies. In addition, while the Tender Offeror Group operates various businesses, including in the alcoholic beverages and food sector, as an integrated entity, there is no overlap in business fields with the Company. Therefore, for the Tender Offeror, the potential for business development in the aforementioned new business fields can be widely expected. Based on these factors, the Company believes that the Tender Offeror is the optimal partner to maximize the growth potential of the Company.

(Note 3) The "TaKaRa Five Values" represent the shared values of the Tender Offeror Group, including the Company, that define what the Tender Offeror Group values and what it should do as a corporation. As the common foundation for the Tender Offeror Group, TaKaRa Five Values is positioned as a basis to align the direction of every employee, maximize organizational strength, and realize the group vision.

(B) Acceleration of reform of the revenue structure

After the COVID-19 global pandemic subsided, due to the impact of a global slowdown in the life science research market and other factors, the Company revised downward its earnings forecast for the fiscal year ending March 31, 2026. Under these circumstances, the Company believes that early recovery of profitability is essential.

In this regard, the Company considers that the Tender Offeror has established a stable business foundation in the domestic alcohol beverage market as a manufacturer holding a top-tier market share across multiple categories such as shochu, sake and mirin, and that since the establishment of the Company, the Tender Offeror has held a deep expertise in the Company's business and life science industry as the Company's parent company. Therefore, the Company believes that through making available the timely and appropriate allocation of the Tender Offeror's financial resources, and production and management know-how, to the Company, such allocation of resources and know-how will enable the Company to improve efficiency in its manufacturing and management operations, and the Company may thereby develop a structure that consistently generates profits commensurate with its asset scale.

(C) Acceleration of the group's business strategies through mutual provision of expertise by increasing personnel exchanges

As described in (A) above, the Company considers that, under the current situation where both parent and subsidiary companies are listed, care must be taken to ensure that no conflict of interests arises between the Tender Offeror and the Company's general shareholders, and such relationship means that personnel exchanges and mutual sharing of know-how are not being sufficiently implemented. The Company believes that, if the Tender Offeror becomes the sole shareholder of the Company by making the Company a wholly owned subsidiary of the Tender Offeror through the Transactions, the structural conflict of interests between the Tender Offeror and the Company's general shareholders, which is a barrier to implementing measures between listed companies that potentially involving short-term losses, and the constrains on information sharing arising from the Tender Offeror and the Company each operating independently as listed companies will be resolved, and therefore personnel exchanges and the active sharing of expertise and how-how associated with such exchanges will be possible.

The Company has set the goal of becoming a global platform provider responsible for the infrastructure of the life science industry in the "Takara Bio Group Medium-Term Management Plan 2026." The Company also believes that the constraints on information management, etc. due to the situation where both parent and subsidiary companies are listed have prevented active implementation of the enhancement of human resources through secondments from the Tender Offeror Group holding expertise in the alcohol beverage and food sectors to the Company, but if such enhancement becomes possible, the Company may accelerate its business strategies by jointly promoting development of manufacturing technologies and new businesses with the Tender Offeror.

(D) Reduction of listing maintenance costs

To maintain the stock exchange listing, the Company is required to bear significant operational burdens, including various expenses (listing fees, cost for preparation of disclosure documents,

outsourcing fees for a stock transfer agent, audit fees, etc.) and the operational load associated with handling, etc., of general shareholders. In addition, due to the recent revisions to the corporate governance code, strengthened regulations on capital markets, and other factors, the costs required for disclosure, audit fees, and other necessary ongoing expenses, as well as the operational load, are expected to continue increasing going forward.

However, the Company believes that, if the Tender Offeror becomes the sole shareholder of the Company by making the Company a wholly owned subsidiary, it would enable the reduction of such costs and operational load and contribute to the Company's urgent task of reform of revenue structure.

Based on the following points, the Company has determined that the Tender Offer Price and other terms and conditions of the Tender Offer are appropriate, and that the Tender Offer provides the shareholders of the Company with an opportunity to sell the Company Shares at a price with a reasonable premium and under reasonable terms and conditions.

- (A) The Tender Offer Price significantly exceeds the upper limit of the range of the value per share of the Company Shares calculated by the market share price method in the share valuation results for the Company Shares by Daiwa Securities as described in “(3) Matters Related to Calculation” in “3. Details of the Opinion Regarding the Tender Offer, and the Basis and Reasons Thereof” of the Opinion Press Release headings are those in the Japanese version; the same applies hereinafter, and significantly exceeds the median value of 974 yen of the range of the calculation results of the value per share calculated by the discounted cash flow method (the “**DCF Method**”) in the said share valuation results.
- (B) As described in “(iii) Obtainment of a share valuation report from an independent third-party valuation agency by the Special Committee” in “(3) Matters Related to Calculation” in “3. Details of the Opinion Regarding the Tender Offer, and the Basis and Reasons Thereof” of the Opinion Press Release, the Tender Offer Price significantly exceeds the upper limit of the range of the value per share of the Company Shares calculated by the market share price method in the share valuation results for the Company Shares by Plutus as presented in the Share Valuation Report (Plutus). In addition, the Tender Offer Price falls within the range of the value per share calculated by the DCF Method in the said share valuation results and substantially exceeds the median value thereof (954 yen).
- (C) As described in “(4) Measures for Ensuring the Fairness of the Tender Offer Price, Measures for Avoiding Conflicts of Interest, and Other Measures for Ensuring the Fairness of the Transactions” in “3. Matters Concerning the Appropriateness of the Provisions Regarding the Matters Specified in Items (i) and (iii) under Article 180, Paragraph 2 of the Companies Act (Matters Concerning the Appropriateness of the Provisions Regarding the Ratio of Consolidation)” below, measures to ensure the fairness of the Tender Offer have been implemented, and it is recognized that the interests of the general shareholders are ensured.
- (D) The Tender Offer Price is a price that was raised from the initial proposal price of 950 yen proposed by the Tender Offeror, following the implementation of such measures, through sincere negotiations with the Tender Offeror with the substantial involvement of the Special Committee, which is independent of the Company and the Tender Offeror Group.

- (E) As described in “iii) Establishment of an independent special committee and obtainment of a recommendation from the special committee by the Company” in “(4) Measures for Ensuring the Fairness of the Tender Offer Price, Measures for Avoiding Conflicts of Interest, and Other Measures for Ensuring the Fairness of the Transactions” in “3. Matters Concerning the Appropriateness of the Provisions Regarding the Matters Specified in Items (i) and (iii) under Article 180, Paragraph 2 of the Companies Act (Matters Concerning the Appropriateness of the Provisions Regarding the Ratio of Consolidation)” below, in the Recommendation obtained by the Company from the independent Special Committee, it has been determined that the fairness of the Tender Offer Price and the procedures in the negotiation process, as well as the appropriateness of the terms and conditions of the Transactions, including the Tender Offer Price, have been ensured.
- (F) The premium for the Tender Offer Price represents premiums of 40.42% on 819 yen, the closing price of the Company Shares on the Prime Market of the TSE as of February 12, 2026, which is the business day immediately preceding the date of announcement of the Tender Offer; 41.45% on 813 yen, the simple average closing price for the one-month period preceding such date (from January 13, 2026 to February 12, 2026); 42.33% on 808 yen, the simple average closing price for the three-month period preceding such date (from November 13, 2025 to February 12, 2026); and 31.88% on 872 yen, the simple average closing price for the six-month period preceding such date (from August 13, 2025 to February 12, 2026), respectively, and represents a premium exceeding 40% on the simple average closing prices for the preceding one-month period and three-month period. The Tender Offer Price can be considered to provide a certain premium, even compared to the premium levels in the Similar Past Cases (the median premiums of 38.0% on the closing prices of the target companies’ shares as of the business day immediately preceding the base date; 39.9% on the simple average closing prices for the one-month period preceding such business day; and 39.5% on the simple average closing prices for the three-month period preceding such business day, respectively). On the other hand, the premium on the simple average closing price for the preceding six-month period may not necessarily be considered high compared to the premium level in the Similar Past Cases (the median premium of 38.0% on the closing prices of the target companies’ shares on the TSE for the six-month period immediately preceding the base date). However, if the premium levels (the median premiums of 23.8% on the closing prices of the target companies’ shares on the TSE as of the business day immediately preceding the base date; 29.9% on the simple average closing prices for the one-month period preceding such business day; 30.8% on the simple average closing prices for the three-month period preceding such business day; and 29.3% on the simple average closing prices for the six-month period preceding such business day, respectively) in a total of 25 cases among the Similar Past Cases with total tender offer prices similar to the Transactions (cases among the Similar Past Cases with a total purchase amount of 50 billion yen or more) are also taken into account, the premium on the simple average closing price for the preceding six-month period is also considered to be at a comparable premium level.

As described in “Notice Concerning Revisions to Financial Results Forecasts for the First Half, Recognition of Extraordinary Loss, and Reversal of Deferred Tax Assets” dated October 23, 2025

(the “**Downward Revision Disclosure (1)**”), the Company revised downward its consolidated financial results forecasts for the first half of the fiscal year ending March 31, 2026. Further, as described in “Notice Concerning Revisions to the Financial Results Forecasts and Dividend Forecasts (No dividends) and Partial Return of Executive Remuneration” dated November 11, 2025, and “[Correction] Notice Concerning Revisions to Notice Concerning Revisions to the Financial Results Forecasts and Dividend Forecasts (No dividends) and Partial Return of Executive Remuneration” dated November 12, 2025 (collectively, the “**Downward Revision Disclosure (2)**”), the Company revised downward its consolidated financial results forecasts for the full year of the fiscal year ending March 31, 2026. The Downward Revision Disclosure (1) is attributable to factors such as the recognition of extraordinary loss. Regarding the recognition of extraordinary loss, orders from major customers for manufacturing facilities for contract manufacturing services, including cell processing, viral vectors and other products, which had been recorded as under construction in progress for a long period of time, were no longer expected. Although subsequent operating activities were pursued, following the inspection of fixed assets conducted in June 2025, the likelihood of future use was thoroughly reviewed. Starting in August 2025, with advice from Deloitte Touche Tohmatsu LLC, it was decided to record an impairment loss on the relevant assets in the first half of the fiscal year ending March 31, 2026. In addition, the Downward Revision Disclosure (2) is attributable to factors such as the expectation that the global life sciences research market will remain sluggish and there will be a shortfall in acquiring new projects in the CDMO business in Japan. Therefore, neither the Downward Revision Disclosure (1) nor the Downward Revision Disclosure (2) was prepared or disclosed by the Company for the purpose of intentionally lowering the value of the Company Shares.

Furthermore, according to the Tender Offeror, the Tender Offeror commenced consideration of the Transactions in late September 2025. It can be said that both the decision-making process leading to the recognition of impairment loss on the relevant assets related to the Downward Revision Disclosure (1) and the factors underlying the Downward Revision Disclosure (2) existed prior to the Tender Offeror’s commencement of consideration of the Transactions, and hence both the Downward Revision Disclosure (1) and the Downward Revision Disclosure (2) are unrelated to the commencement of consideration of the Transactions. Therefore, the Company believes that there is no problem in taking into account the value of the Company Shares after the downward revision disclosures when determining the premium level of the Tender Offer Price.

Accordingly, at the meeting of the Board of Directors held on February 13, 2026, the Company resolved to express its opinion in support of the Tender Offer and recommend that the Company’s shareholders tender their shares in the Tender Offer.

For the method of resolution at the meeting of the Board of Directors of the Company above, please refer to “viii) Approval of all disinterested Directors of the Company and no objection from all disinterested Auditors of the Company” in “(4) Measures for Ensuring the Fairness of the Tender Offer Price, Measures for Avoiding Conflicts of Interest, and Other Measures for Ensuring the Fairness of the Transactions” in “3. Matters Concerning the Appropriateness of the Provisions Regarding the Matters Specified in Items (i) and (iii) under Article 180, Paragraph 2 of the Companies Act (Matters Concerning the Appropriateness of the Provisions Regarding the Ratio of Consolidation)” below.

Subsequently, although the Tender Offer was successfully completed as described above, the Tender Offeror was unable to acquire all of the Company Shares (other than the treasury shares held by the Company and the shares held by the Tender Offeror) in the Tender Offer. Therefore, at the request of the Tender Offeror, the Company resolved on April 27, 2026, at the meeting of the Board of Directors of the Company, to submit a proposal for the Share Consolidation to the Extraordinary Shareholders' Meeting with the aim of delisting the Company Shares, subject to the approval of the shareholders at the Extraordinary Shareholders' Meeting. The numbers of the Company Shares held by shareholders other than the Tender Offeror are expected to become fractional shares of less than one share as a result of the Share Consolidation.

2. Matters Specified under Article 180, Paragraph 2 of the Companies Act (Details of the Share Consolidation)

(1) Ratio of the Share Consolidation

15,332,374 Company Shares will be consolidated into one share. Subject to the approval at the Extraordinary Shareholders' Meeting, the Company plans to cancel all treasury shares held by the Company as of June 15, 2026, by resolution of the Board of Directors. The ratio of the Share Consolidation has been calculated based on the total number of the issued shares after the cancellation of the treasury shares (As of April 15, 2026, 120,415,300 shares).

(2) Day When the Share Consolidation Will Become Effective (Effective Day)

June 16, 2026

(3) Total Number of Shares Authorized to Be Issued as of the Effective Day

24 shares

3. Matters Concerning the Appropriateness of the Provisions Regarding the Matters Specified in Items (i) and (iii) under Article 180, Paragraph 2 of the Companies Act (Matters Concerning the Appropriateness of the Provisions Regarding the Ratio of Consolidation)

Under the Share Consolidation, the ratio of consolidation is 15,332,374 Company Shares consolidated into one. The Company considers that the ratio of consolidation in the Share Consolidation is appropriate because the purpose of the Share Consolidation is to make the Tender Offeror the sole shareholder of the Company as mentioned in "1. Reasons to Implement Share Consolidation" above, and the Tender Offer conducted as part of the Transactions through the processes described in "1. Reasons to Implement Share Consolidation" above was successfully completed, and because of each matter listed below.

(1) Matters Considered in Order to Safeguard the Interests of the Company's Shareholders Other than the Parent Company, Etc., If There is Such Parent Company, Etc.

The Tender Offeror and the Company recognize that the Tender Offeror is a controlling shareholder (parent company) of the Company, holding 60.91% of the Company Shares, and that the Transactions, including the Tender Offer, constitute a material transaction with a controlling shareholder. In addition, in light of the fact that the Transactions are of a type in which there are typically issues of structural conflicts of interest and information asymmetry, the Tender Offeror

and the Company have implemented the measures described in “(4) Measures for Ensuring the Fairness of the Tender Offer Price, Measures for Avoiding Conflicts of Interest, and Other Measures for Ensuring the Fairness of the Transactions” below in order to address these issues and to ensure the fairness of the Tender Offer.

(2) Matters Concerning the Method of Handling of Fractions Less than One Share in Cases Where Such Handling is Expected (Handling of Fractions)

i) Whether the handling under the provisions of Article 235, Paragraph 1 of the Companies Act or the handling under the provisions of Article 234, Paragraph 2 of the said Act as applied mutatis mutandis pursuant to Article 235, Paragraph 2 of the said Act is planned, and the reasons therefor

As described in “1. Reasons to Implement Share Consolidation” above, the numbers of the Company Shares held by shareholders other than the Tender Offeror are expected to become fractional shares of less than one share as a result of the Share Consolidation.

Regarding these fractional shares of less than one share resulting from the Share Consolidation, the total number of such shares (with any fraction less than one share in the total rounded down) will be sold and the proceeds from the sale will be distributed to shareholders in proportion to their respective fractional holdings.

Given that the Share Consolidation is conducted as part of the Transactions aimed at making the Tender Offeror the sole shareholder of the Company, and considering that the Company Shares are scheduled to be delisted on June 12, 2026, and will no longer have a market price, it is deemed unlikely that a buyer will emerge through auction. Therefore, the Company plans to sell the shares to the Tender Offeror with court approval, in accordance with the provisions of Article 234, Paragraph 2 of the Companies Act, as applied mutatis mutandis by Article 235, Paragraph 2 of the said Act.

In this case, if the necessary court approval is obtained as planned, the sale price will be set so that each shareholder will be distributed an amount of money equivalent to the amount obtained by multiplying the number of the Company Shares held by such shareholder as entered or recorded in the Company’s last shareholder register as of June 15, 2026, i.e., at the time immediately before the Share Consolidation becomes effective, which is the day immediately preceding the effective day of the Share Consolidation (the “**Reference Number of Shares**”) by 1,150 yen, which is equivalent to the Tender Offer Price. However, if court approval is not obtained or if rounding adjustments are necessary, the actual amount to be distributed may be different.

ii) Name of person expected to purchase shares subject to sale

As described above, the Company plans to sell fractional shares to Takara Holdings, Inc., the Tender Offeror.

iii) Method by which the person expected to purchase shares subject to sale will secure funds for payment of the sale proceeds, and appropriateness of the method

The Tender Offeror plans to provide the funds required for the acquisition of the Company Shares equivalent to the total number of fractional shares resulting from the Share Consolidation out of borrowings from Mizuho Bank, Ltd.

In the implementation procedures for the Transactions, the Company confirmed the method by which the Tender Offeror will secure funds by reviewing the Tender Offer Notification submitted by the Tender Offeror on February 16, 2026. In addition, according to the Tender Offeror, no events have occurred that could hinder the payment of proceeds from the sale of the Company Shares equivalent to the total number of fractional shares less than one share resulting from the Share Consolidation, nor are any such events currently anticipated. Therefore, the Company has determined that the method by which the Tender Offeror will secure funds for the payment of proceeds from the sale of fractional shares is appropriate.

iv) Expected timing of sale and distribution of sale proceeds to shareholders

Following the Share Consolidation becoming effective, the Company plans to file a petition with the court around mid-July 2026, seeking approval to sell a number of the Company Shares equivalent to the total of the fractional shares less than one share resulting from the Share Consolidation, in accordance with the provisions of Article 234, Paragraph 2 of the Companies Act, as applied mutatis mutandis by Article 235, Paragraph 2 of the said Act. While the timing of obtaining such court approval varies depending on the court, the Company expects to obtain the court approval, and from late July 2026 to early September 2026, sell the Company Shares to the Tender Offeror. After completing the necessary preparations to promptly and smoothly distribute the proceeds from the sale to shareholders, the Company expects to sequentially distribute to shareholders the proceeds from the sale of fractional shares within approximately two months from obtaining the court approval.

Taking into account the time required to implement the series of procedures commencing on the effective day and concluding on the sale in other companies' cases similar to the Share Consolidation, the Company considers that the sale of the Company Shares equivalent to the total of the fractional shares less than one share resulting from the Share Consolidation will be conducted, and the proceeds from such sale will be distributed to shareholders, at the respective timings set out above.

(3) Matters Concerning the Amount of Money Expected to be Distributed to Shareholders as a Result of Rounding and the Appropriateness of Such Amount

In the Share Consolidation, as described in “i) Whether the handling under the provisions of Article 235, Paragraph 1 of the Companies Act or the handling under the provisions of Article 234, Paragraph 2 of the said Act as applied mutatis mutandis pursuant to Article 235, Paragraph 2 of the said Act is planned, and the reasons therefor” in “(2) Matters Concerning the Method of Handling of Fractions Less than One Share in Cases Where Such Handling is Expected (Handling of Fractions)” above, the Company plans to distribute to shareholders an amount of money equivalent to the amount obtained by multiplying the Reference Number of Shares held by shareholders by 1,150 yen, which is equivalent to the Tender Offer Price per Company Share.

Based on factors including the following considerations, the Company has determined that the Tender Offer Price is appropriate and the Tender Offer provides the Company's shareholders with a reasonable opportunity to sell their Company Shares: (i) the Tender Offer Price is the price agreed upon as a result of sufficient negotiations with the Tender Offeror with the substantial involvement of the Special Committee, after the Company has taken sufficient measures to ensure the fairness of the terms and conditions of the Transactions, including the Tender Offer Price, described in “(4)

Measures for Ensuring the Fairness of the Tender Offer Price, Measures for Avoiding Conflicts of Interest, and Other Measures for Ensuring the Fairness of the Transactions” below; (ii) as described in “(ii) Obtainment of a share valuation report from an independent third-party valuation agency by the Company” in “(4) Measures for Ensuring the Fairness of the Tender Offer Price, Measures for Avoiding Conflicts of Interest, and Other Measures for Ensuring the Fairness of the Transactions” below, the Tender Offer Price significantly exceeds the upper limit of the range of the valuation results based on the market share price method and significantly exceeds the median value of the range of the valuation results based on the DCF Method, as shown in the Share Valuation Report (Daiwa Securities) and the Share Valuation Report (Plutus); (iii) the Tender Offer Price represents premiums of 40.42% on 819 yen, the closing price of the Company Shares on the Prime Market of the TSE as of February 12, 2026, which is the business day immediately preceding the date of announcement of the Tender Offer; 41.45% on 813 yen, the simple average closing price for the one-month period preceding such date (from January 13, 2026 to February 12, 2026); 42.33% on 808 yen, the simple average closing price for the three-month period preceding such date (from November 13, 2025 to February 12, 2026); and 31.88% on 872 yen, the simple average closing price for the six-month period preceding such date (from August 13, 2025 to February 12, 2026), respectively. This means that premiums exceeding 40% were added to the closing price on the business day immediately preceding the scheduled date of announcement of the Tender Offer and to the simple average closing prices for the preceding one-month period and three-month period. With reference to the median values of premiums (of 38.0% on the closing prices as of the business day immediately preceding the scheduled date of announcement, 39.9% on the simple average closing prices for the preceding one-month period, 39.5% on the simple average closing prices for the preceding three-month period, and 38.0% on the simple average closing prices for the preceding six-month period) in 82 cases of tender offers that are considered to be similar to the Tender Offer, in which the parent companies intended to make certain companies their wholly owned subsidiaries, announced on or after June 28, 2019, the date on which the Fair M&A Guidelines were published by the Ministry of Economy, Trade and Industry, all premiums exceed the median values except for the premium on the simple average closing price for the preceding six-month period. On the other hand, the premium on the simple average closing price for the preceding six-month period may not necessarily be considered high compared to the premium level in the aforementioned cases. However, if the premium levels (the median premiums of 23.8% on the closing prices of the target companies’ shares on the TSE as of the business day immediately preceding the base date; 29.9% on the simple average closing prices for the one-month period preceding such business day; 30.8% on the simple average closing prices for the three-month period preceding such business day; and 29.3% on the simple average closing prices for the six-month period preceding such business day, respectively) in 25 cases among the aforementioned cases with total tender offer prices similar to the Tender Offer (cases with a total purchase amount of 50 billion yen or more) are also taken into account, it can be said that the Tender Offer Price represents a reasonable premium level; and (iv) as described in “(iii) Establishment of an independent special committee and obtainment of a recommendation from the special committee by the Company” in “(4) Measures for Ensuring the Fairness of the Tender Offer Price, Measures for Avoiding Conflicts of Interest, and Other Measures for Ensuring the Fairness of the Transactions” below, the Tender Offer Price is also determined to be appropriate in the Recommendation obtained from the Special Committee.

Furthermore, at the meeting of the Board of Directors of the Company held on February 13, 2026, based on the determination that (i) the Transactions contribute to the enhancement of the Company's corporate value; and (ii) the terms and conditions of the Transactions, including the Tender Offer Price, are reasonable and ensure the benefits that the Company's general shareholders should enjoy and the Tender Offer provides the Company's general shareholders with a reasonable opportunity to sell their Company Shares at a price with an appropriate premium, the Company resolved to express its opinion in support of the Tender Offer and recommend that the Company's shareholders tender their shares in the Tender Offer. The Company confirmed that no material changes have occurred in the conditions underlying the calculation of the Tender Offer Price following such resolution until the Board of Directors resolution on April 27, 2026, which is related to the convocation of the Extraordinary Shareholders' Meeting.

Based on the above, the Company determined that the amount of money expected to be distributed to shareholders due to rounding resulting from the Share Consolidation is appropriate.

(4) Measures for Ensuring the Fairness of the Tender Offer Price, Measures for Avoiding Conflicts of Interest, and Other Measures for Ensuring the Fairness of the Transactions

The Tender Offeror and the Company recognize that the Tender Offeror is a controlling shareholder (parent company) of the Company, holding 60.91% of the Company Shares, and that the Transactions, including the Tender Offer, constitute a material transaction with a controlling shareholder. In addition, in light of the fact that the Transactions are of a type in which issues of structural conflicts of interest and information asymmetry are typically present, the Tender Offeror and the Company have implemented the following measures in order to address these issues and to ensure the fairness of the Tender Offer.

Among the measures described below, the measures implemented by the Tender Offeror are based on explanations from the Tender Offeror.

i) Obtainment of a share valuation report from an independent third-party valuation agency by the Tender Offeror

In determining the Tender Offer Price, in order to ensure the fairness of the Tender Offer Price, the Tender Offeror requested Nomura Securities, as the Tender Offeror's financial advisor and third-party valuation agency independent of the Tender Offeror and the Company, to calculate the value of the Company Shares.

After considering which calculation methods should be adopted in calculating the value of the Company Shares among the various calculation methods, Nomura Securities adopted a) the average market share price method because a market share price exists for the Company Shares and b) the DCF Method to reflect the circumstances of the Company's future business activities on the calculation. The Tender Offeror obtained a share valuation report from Nomura Securities as of February 12, 2026 (the "**Share Valuation Report for Tender Offeror**") (Note 4).

Nomura Securities is not a related party of the Tender Offeror or the Company, and has no material interest in connection with the Tender Offer. The Tender Offeror has not obtained an opinion in respect of the fairness of the Tender Offer Price (a fairness opinion) from Nomura Securities as it believes that sufficient consideration has been given to the interests of the Company's general shareholders, taking into account comprehensively the various factors

described in “(4) Measures for Ensuring the Fairness of the Tender Offer Price, Measures for Avoiding Conflicts of Interest, and Other Measures for Ensuring the Fairness of the Transactions.”

According to Nomura Securities, the ranges of the value per Company Share calculated based on each of the above calculation methods are as follows.

Average market share price method:	808 yen to 872 yen
DCF Method:	1,008 yen to 1,395 yen

Under the average market share price method, the value per Company Share was evaluated to be in the range of 808 yen to 872 yen, based on: 819 yen, the closing price of the Company Shares on the Prime Market of the TSE on February 12, 2026 (which was set as the base date); 808 yen, the simple average closing price for the preceding 5 business days; 813 yen, the simple average closing price for the preceding one-month period; 808 yen, the simple average closing price for the preceding three-month period; and 872 yen, the simple average closing price for the preceding six-month period, respectively.

Under the DCF Method, based on the Company’s future earnings forecasts from the fourth quarter of the fiscal year ending March 31, 2026 onwards that take into account factors such as revenue and investment plans in the Business Plan for the 11 fiscal years from the fiscal year ending March 31, 2026 to the fiscal year ending March 31, 2036 (the business plans received from the Company do not include free cash flow) that were received from the Company, confirmed by the Tender Offeror and provided to Nomura Securities, recent performance trends, and publicly available information, the Company’s corporate value and share value were analyzed and evaluated by discounting the free cash flow expected to be generated by the Company in the future to the present value using a certain discount rate. As a result, Nomura Securities calculated the range of the value per Company Share to be in the range of 1,008 yen to 1,395 yen. The financial forecasts used by Nomura Securities in the analysis by the DCF Method include fiscal years in which a large increase or decrease in profits is expected. Specifically, for the fiscal year ending March 31, 2026, the Company anticipates a significant year-on-year decrease in operating profit, EBITDA, and free cash flow, primarily due to a decline in sales resulting from the global downturn in the life sciences research market and the shortfall in acquiring new projects in the CDMO business. On the other hand, from the fiscal year ending March 31, 2027 to the fiscal year ending March 31, 2031, the Company anticipates a significant year-on-year increase in operating profit, EBITDA, and free cash flow, primarily due to revenue expansion in the Reagents and Instruments business and the CDMO business, in addition to the recovery of the life sciences research market, including the U.S. and Chinese markets. Furthermore, since such business plans are not premised on the implementation of the Transactions and it is currently difficult to specifically estimate the synergies expected to be realized through the implementation of the Transactions, such synergies have not been incorporated into the business plans.

After taking into account comprehensively matters such as the valuation results of the Company Shares in the Share Valuation Report for Tender Offeror obtained from Nomura Securities, as well as the results of due diligence on the Company conducted from mid-November 2025 to mid-January 2026, the likelihood of the Company’s Board of Directors supporting the

Tender Offer and the prospects for tendering shares in the Tender Offer, and based on the results of discussions and negotiations with the Company and other matters, the Tender Offeror ultimately decided on February 13, 2026, to set the Tender Offer Price at 1,150 yen.

The Tender Offer Price of 1,150 yen represents premiums of 40.42% on 819 yen, the closing price of the Company Shares on the Prime Market of the TSE as of February 12, 2026, which is the business day immediately preceding the date of announcement of the implementation of the Tender Offer (February 13, 2026); 41.45% on 813 yen, the simple average closing price for the preceding one-month period; 42.33% on 808 yen, the simple average closing price for the preceding three-month period; and 31.88% on 872 yen, the simple average closing price for the preceding six-month period, respectively.

(Note 4) In calculating the value of the Company Shares, Nomura Securities has assumed that public information and all information provided to Nomura Securities is accurate and complete, and has not independently verified the accuracy or completeness thereof. Nomura Securities has not conducted any independent evaluation, appraisal or assessment of assets and liabilities (including financial derivatives, off-balance-sheet assets and liabilities, or other contingent liabilities) of the Company and its affiliates, including analysis and evaluation of individual assets and liabilities, nor has it requested any third-party agency to conduct any appraisal or assessment thereof. The Company's financial forecasts (including profit plans and other information) are assumed to have been reasonably considered or prepared based on the best and good faith estimates and judgments currently available to the management of the Tender Offeror. The calculation by Nomura Securities reflects the information and economic conditions obtained by Nomura Securities up to February 12, 2026. Further, the purpose of calculation by Nomura Securities is to solely help the board of directors of the Tender Offeror in examining the value of the Company Shares.

ii) Obtainment of a share valuation report from an independent third-party valuation agency by the Company

As described in “ii) Obtainment of a share valuation report from an independent third-party valuation agency by the Company” in “(3) Matters Related to Calculation” in “3. Details of the Opinion Regarding the Tender Offer, and the Basis and Reasons Thereof” of the Opinion Press Release, in deciding its opinion with respect to the Tender Offer, the Company requested Daiwa Securities, which is the Company's financial advisor and third-party valuation agency independent of the Tender Offeror Group and the Company Group, to calculate the value of the Company Shares. On February 12, 2026, the Company obtained the Share Valuation Report (Daiwa Securities). Daiwa Securities is not a related party of the Tender Offeror Group or the Company Group, and has no material interest that should be stated in connection with the Tender Offer.

iii) Establishment of an independent special committee and obtainment of a recommendation from the special committee by the Company

(i) Background of the establishment, etc.

As described in “1. Reasons to Implement Share Consolidation” above, the Company

established the Special Committee by resolution at the extraordinary meeting of the Board of Directors held on November 11, 2025. Prior to such establishment of the Special Committee, since late October 2025, for the purpose of establishing a system for reviews, negotiations and determinations regarding the Transactions from the perspective of enhancing the Company's corporate value and ensuring the interests of the Company's general shareholders, with advice from Oh-Ebashi, the Company, acting from a standpoint independent of the Tender Offeror Group, individually explained to all the Company's independent external Directors and independent external Auditors who have no material interest in the Tender Offeror Group that a) the Company has received from the Tender Offeror a letter of intent on October 30, 2025 expressing its desire to commence considerations and discussions for the implementation of the Transactions, and that b) it is necessary to take sufficient measures to ensure the fairness of the terms and conditions of the Transactions, including the establishment of the Special Committee, in engaging in reviews, negotiations, etc. regarding the Transactions. Furthermore, concurrently, with advice from Oh-Ebashi, the Company confirmed the independence, qualifications, etc. of the Company's independent external Directors and independent external Auditors who are candidates for membership on the Special Committee, and also confirmed that such external Directors and external Auditors have no material interests in the Tender Offeror Group and no material interests different from those of general shareholders regarding the outcome of the Transactions. Subsequently, it was confirmed, with advice from Oh-Ebashi, that the Company's independent external Directors and independent external Auditors had no objection as a result of discussions. Therefore, to establish an Special Committee of appropriate size while maintaining a balance of knowledge, experience and capabilities as a whole, the Company selected the following 3 individuals as candidates for membership on the Special Committee: Ms. Nobuko Kawashima (external Director, independent officer), who has extensive practical experience at a financial institution and a business corporation, as well as extensive academic knowledge gained from serving as a professor of economics at a university; Mr. Kunihiko Kamada (external Auditor, independent officer), who has advanced expertise and knowledge in legal affairs as an attorney; and Mr. Yasuo Himeiwa (external Auditor, independent officer), who has extensive practical experience at an audit firm as a certified public accountant and experience and knowledge gained from involvement in the management of multiple domestic business corporations (All of these 3 individuals of Ms. Nobuko Kawashima, Mr. Kunihiko Kamada, and Mr. Yasuo Himeiwa are scheduled to retire as external Director or external Auditor upon the conclusion of the Company's annual general meeting of shareholders for the fiscal year ending March 31, 2026. Furthermore, Ms. Nobuko Kawashima, an independent external Director of the Company, has assumed the office of chairperson of the Special Committee by mutual selection among the members, and the members of the Special Committee have not changed since its establishment.).

Furthermore, as described in "1. Reasons to Implement Share Consolidation" above, the Company established the Special Committee by resolution at the extraordinary meeting of the Board of Directors held on November 11, 2025, and consulted the Special Committee on the Consultation Matters. In establishing the Special Committee, the Company's Board of Directors resolved to grant it (i) the authority to receive information from the Company's

officers and employees necessary for the review and determination of the Transactions; (ii) the authority to express opinions to the Company regarding negotiations on matters including the terms and conditions of the Transactions; (iii) the authority to approve (and ratify) the Company's external expert advisors appointed by the Company; (iv) the authority to seek advice from the Company's external expert advisors at the Company's expense; and (v) the authority to appoint the Special Committee's own external expert advisors at the Company's expense.

(ii) Background of review

The Special Committee held a total of 18 meetings from November 12, 2025 to February 12, 2026, and also performed its duties in relation to the Consultation Matters by reporting, sharing information, deliberating, and making decisions, etc. via email as necessary between meetings.

Specifically, after first examining their independence, expertise, achievements, etc., the Special Committee decided on December 12, 2025 to appoint Yodoyabashi & Yamagami as its own legal advisor independent of the Tender Offeror Group and the Company Group, and Plutus as its own financial advisor and third-party valuation agency independent of the Tender Offeror Group and the Company Group. The Special Committee has confirmed that Yodoyabashi & Yamagami and Plutus are not related parties of the Tender Offeror Group or the Company Group, and have no material interest in connection with the Transactions, including the Tender Offer, and that there is no issue with their independence from the Transactions.

In addition, the Special Committee confirmed that there is no issue with the independence, expertise, achievements, etc. of Daiwa Securities, the Company's financial advisor and third-party valuation agency, and Oh-Ebashi, the Company's legal advisor, and approved their respective appointments.

Furthermore, the Special Committee confirmed that there is no issue with the independence and fairness of the review system for the Transactions established internally by the Company (including the scope and duties of the Company's officers and employees involved in the reviews, negotiations and determinations regarding the Transactions).

The Special Committee then considered measures to be taken to ensure the fairness of the procedures for the Transactions based on the legal advice obtained from Yodoyabashi & Yamagami and opinions obtained from Oh-Ebashi.

The Special Committee was given a briefing by the Tender Offeror and conducted a question-and-answer session regarding the background of proposing the Transactions, the significance and purpose of the Transactions, and the management structure, management policy, etc. after the implementation of the Transactions.

The Special Committee also heard the Company's views and related information and conducted a question-and-answer session regarding the significance and purpose of the Transactions, the impact of the Transactions on the Company's business, and the management structure, management policy, etc. after the implementation of the Transactions.

Additionally, taking into account the financial advice received from Plutus, after receiving a briefing by the Company and conducting a question-and-answer session regarding the content

of the Business Plan prepared by the Company, important conditions precedent and background of the preparation of the Business Plan, the Special Committee confirmed and approved the reasonableness of these matters. Subsequently, as described in “ii) Obtainment of a share valuation report from an independent third-party valuation agency by the Company” and “iii) Obtainment of a share valuation report from an independent third-party valuation agency by the Special Committee” in “(3) Matters Related to Calculation” in “3. Details of the Opinion Regarding the Tender Offer, and the Basis and Reasons Thereof” of the Opinion Press Release, Plutus and Daiwa Securities conducted the valuation of the Company Shares based on the content of the Business Plan of the Company. The Special Committee was given briefings by Plutus and Daiwa Securities, and conducted question-and-answer sessions, deliberations and reviews regarding the respectively adopted methods of valuation of the Company Shares, reasons for adopting such methods, details of the valuation under each method, and important conditions precedent. Then the Special Committee confirmed the reasonableness of these matters.

Furthermore, the Special Committee, from time to time, received reports from the Company and its advisors regarding negotiations between the Company and the Tender Offeror, deliberated and reviewed matters based on the financial advice received from Plutus and the legal advice received from Yodoyabashi & Yamagami, and expressed necessary opinions regarding the Company’s negotiation policy as appropriate. Specifically, upon the Company receiving each proposal for the Tender Offer Price from the Tender Offeror, the Special Committee received reports from the Company in a timely manner regarding the progress, content, etc. of discussions and negotiations regarding the Tender Offer Price; advised the Company over a total of 4 times that the Company should request the Tender Offeror to increase the Tender Offer Price; and was substantially involved in discussions and negotiations between the Company and the Tender Offeror as a result of the Company negotiating with the Tender Offeror in accordance with such advice.

As a result, on February 9, 2026, the Company received a proposal from the Tender Offeror that included setting the Tender Offer Price at 1,150 yen per share. Consequently, the Tender Offer Price was raised from the Tender Offeror’s initial proposal of 950 yen to 1,150 yen.

Additionally, the Special Committee was given briefings by Oh-Ebashi regarding the content of the draft Opinion Press Release on multiple occasions, and, with advice from Yodoyabashi & Yamagami, confirmed that substantial information disclosure is planned to be made.

(iii) Details of decisions

Under the circumstances described above, after careful deliberations and examinations of the Consultation Matters and based on the details of the legal advice given by Yodoyabashi & Yamagami and Oh-Ebashi, the financial advice given by Plutus and Daiwa Securities, and the Share Valuation Report (Daiwa Securities) and the Share Valuation Report (Plutus), both submitted on February 12, 2026, the Special Committee submitted the Recommendation to the Board of Directors of the Company on February 12, 2026, with the unanimous consent of its members, containing the matters summarized below.

(A) Details of the Recommendation

- i) The Transactions contribute to the enhancement of the Company's corporate value, and their purpose is reasonable.
- ii) The terms of the Transactions (including the price under the Transactions) are fair and appropriate.
- iii) Sufficient consideration is given to the interests of the Company's general shareholders through a fair process in the Transactions.
- iv) It is appropriate for the Board of Directors of the Company to express its support for the Tender Offer, to recommend that the Company's shareholders tender their shares in the Tender Offer, and to make a decision to proceed with the Privatization Procedures. In addition, the Transactions are fair and appropriate for the Company's general shareholders and contribute to the enhancement of the Company's corporate value, and their purpose is reasonable.

(B) Reasons for the Recommendation

1 Details of deliberations and examinations of the Special Committee

In preparing the recommendations for the Consultation Matters, the Special Committee conducted (i) a review of the Share Valuation Report (Daiwa Securities) submitted to the Company by Daiwa Securities, the Share Valuation Report (Plutus) submitted to the Special Committee by Plutus, the Business Plan that served as the basis for the share valuation in the Share Valuation Report (Daiwa Securities) and the Share Valuation Report (Plutus), and other documents, etc., including those publicly disclosed, that were deemed necessary for consideration by the Special Committee, (ii) interviews with the Tender Offeror (regarding matters such as the outline of the Transactions, management policy, etc., after the implementation of the Transactions, the significance of the Transactions, and the structure thereof), and (iii) a question-and-answer session with the Company's external expert advisors and the Special Committee's external expert advisors.

Also, during the period from November 12, 2025 to February 12, 2026, the Special Committee held a total of 18 special meetings and conducted detailed deliberations and examinations within the committee.

2 The reasonableness of the purpose of the Transactions (including the issue of whether the Transactions will contribute to the enhancement of the Company's corporate value)

(1) The purpose of the Transactions

The Special Committee questioned the Company and the Tender Offeror with respect to the purpose of the Transactions and the specific details, etc., of the Company's corporate value that could be enhanced by the Transactions. The following is the summary thereof.

A. Explanations given by the Company regarding its current status and issues

The Special Committee received from the Company the explanations summarized below regarding the management environment surrounding the Company Group.

- The primary businesses of the Company Group are the Reagents and Instruments business (development, manufacturing and sale of reagents, instruments and other

products), the CDMO business, and the Gene Therapy business. Under the “Takara Bio Group Medium-Term Management Plan 2026,” which was started from the fiscal year ended March 31, 2024, the businesses are promoted based on the three-year quantitative targets and the business strategies established for each of the Reagents and Instruments business, the CDMO business, and the Gene Therapy business as well as the strategy to strengthen management foundations aimed at transforming the business structure.

- However, since the global life science research market remains sluggish even after the COVID-19 pandemic has subsided, a significant deviation has occurred from the assumptions made at the time of the formulation of the “Takara Bio Group Medium-Term Management Plan 2026.” As a result, the Company Group was forced to revise downward its forecasts for both sales and operating profit for the fiscal year ending March 31, 2026.
- While uncertainty about the future is increasing due to factors such as significant reductions in research grants under U.S. government policies and intensifying competition with competitors in the Chinese market, the Company Group aims to increase profitability by effectively utilizing assets such as facilities in which the Company Group has made upfront investments, and to return each business to a growth path.

B. Explanations given by the Tender Offeror regarding the current status and issues of the Company

The Special Committee considered it necessary to hear explanations not only from the Company but also from the Tender Offeror and therefore received from the Tender Offeror the explanations summarized below regarding the Tender Offeror’s understanding of the management environment surrounding the Company Group.

- As for the business environment surrounding the Company, although the potential for medium- to long-term market growth in the life science supporting industry sector, to which the Company belongs, remains high, the business environment has been rapidly changing following the COVID-19 pandemic. In addition, recently, research and development activities have declined, and uncertainty about the future has intensified due to factors such as reduced research budgets caused by increased prices, high interest rates, etc., and, among other factors, a reduction in research grants in the United States.
- With respect to the Reagents and Instruments business, which is the core business of the Company, the competitive environment is rapidly changing due to factors such as changes in demand driven by the advancement of research through progressive mRNA-related technologies and bioinformatics, an increasing number of competitors, and the low-cost trend in commodity products, primarily driven by Chinese companies. As a result, both the competitiveness and profitability of the business have been declining. Furthermore, as for the CDMO business, due to factors such as stagnation in development of cell therapy and gene therapy in Japan, a decrease in contracted projects in the gene therapy-

related field associated with changes in customers' development policies, etc., intensified price competition in the genetic analysis field, and the entry of competitors, the Company has been unable to achieve the expansion of operating profits commensurate with the substantial capital investments and personnel increases pursued to date, including during the COVID-19 pandemic period, and the sales plan of 14.3 billion yen under the "Takara Bio Group Medium-Term Management Plan 2026" for the period up to FY2026 (the fiscal year ending March 31, 2026) of the Company is expected to fall short of the target. Furthermore, while CGCP III, which is scheduled to start its operations in the fiscal year ending March 31, 2028, is still under construction, an impairment loss was recorded for part of CGCP II in the fiscal year ending March 31, 2026. This indicates that business growth commensurate with these capital investments by the Company has not progressed as initially expected.

- Due to rapid changes, etc. in the market and competitive environment as described above, the Company's current businesses face a structural issue in which the cost structure and assets held are excessively large relative to the sales that can be acquired. The competitiveness and profitability of the Company's core business, namely, the Reagents and Instruments business, are declining. In addition, the situation is also challenging for the CDMO business, which is an upfront investment-type business, with the recovery of capital investments taking longer than initially anticipated. To promptly resolve these situations, further advancements in management and administration, such as segment-based and item-based profit and loss management, management of raw materials and inventory, etc., are required.
- The immediate issues for the Company are "early recovery of profitability through fundamental reform of revenue structure" and "establishment of new growth strategies and business models subject to the uncertainty surrounding the future of the life science supporting industry sector." Furthermore, for the sustainable medium- to long-term growth of the entire Tender Offeror Group, including the Company, it is also important to "strengthen efforts to create new businesses."

C. Explanations given by the Tender Offeror regarding the synergies expected through the Transactions

The Special Committee received from the Tender Offeror the following explanations regarding the measures to enhance the Company's corporate value contemplated by the Tender Offeror after the implementation of the Transactions and the expected effects thereof.

(a) Prompt implementation of reform of the revenue structure of the Company

- For the structural issue of the Company's businesses in which the cost structure and assets held are excessively large relative to the sales that can be acquired, it is necessary to maximize the swift and flexible decision-making structure realized by making the Company a wholly owned subsidiary and to implement measures

to advance the reform of the revenue structure as quickly as possible.

- However, in the current situation where the Company and the Tender Offeror each operate independently as listed companies, careful examination is required to consider the interests of all stakeholders of the Company, including its general shareholders, and this constrains swift and flexible decision-making. Consequently, there are partial limitations on the measures that can be implemented. In addition, considering management independence of the Company as a listed company, there are certain limitations in sharing know-how and information or personnel exchanges between the two companies in their fundamental business operations, such as production management, inventory management and cost management, and other administrations. As a result, it is difficult to maximize advanced business operations, operational efficiency improvements and cost reductions through the above.
- Among these situations, making the Company a wholly owned subsidiary through the Transactions and eliminating the limitations above will enable swift decision-making and execution of business restructuring, such as a review of global supply chains and products and services to provide in the Company's businesses.
- The Tender Offeror Group has continuously worked to advance manufacturing and production management, inventory management, cost management, and other matters, primarily within its domestic alcoholic beverages, seasonings and raw alcohol business. The group has also promoted cost reductions and operational efficiency improvements through diverse approaches, including BPR (Business Process Reengineering) and work-style reforms, within its indirect divisions, achieving certain results. Promoting the sharing of know-how and information and personnel exchanges within the Tender Offeror Group, including the Company, by making the Company a wholly owned subsidiary will enable the active application within the Company of the concepts and know-how cultivated within the Tender Offeror Group to reduce costs, expenses regarding selling, general operation and administration, among others, enhance operational efficiency, and improve quality. Through these measures, the Tender Offeror Group may promote the advancement of operations in accordance with segment-based and item-based profit and loss management, promptly and appropriately carry out business restructuring, realize manufacturing cost reduction, proper pricing, working capital reduction by optimizing raw material and product inventories, promotion of various reductions of costs, including indirect materials, and operational efficiency improvements, and thereby swiftly reform the revenue structure.

(b) Reinforcement of the Company's existing businesses and expansion of business sectors through the utilization of the Tender Offeror's infrastructure

- As Takara Shuzo Co., Ltd., which is the main company among the Tender Offeror Group, and Takara Shuzo International Group (meaning a collective term for Takara Shuzo International Co., Ltd. and its subsidiaries) hold stable and efficient

capabilities in manufacturing, development, sale, etc. accumulated through years of business operations in the alcoholic beverages and Japanese food ingredients sectors, as well as a domestic and even global network for sales and procurement, the Tender Offeror holds strengths not found among its domestic competitors. On the other hand, while the Company operates the Reagents and Instruments business, the CDMO business, and the Gene Therapy business in the life science supporting industry sector, it intends to expand the sales of the products and services into new industrial fields outside of the life science supporting industry sector. However, the Company has not yet fully captured the needs of these fields.

- Under these circumstances, the close information sharing and collaboration achievable by making the Company a wholly owned subsidiary will enable the sharing of the Tender Offeror's know-how regarding stable and efficient manufacturing, development, sales and other matters, and consequently contribute to further strengthening of improvement in manufacturing efficiency and technical capacities within the Company's existing businesses. In addition, if the global network held by the Tender Offeror becomes available, it will be possible to promote the development and sales of products and services for new industry fields related to "bio-manufacturing," such as the fields of environment, manufacturing and energy, marine, and food and plants, beyond the Company's existing business sectors that are the life science supporting industry sector and medical and healthcare field, and to further expand its business sectors.

(c) Reinforcement of new business development within the Tender Offeror Group including the Company

- In the "TaKaRa Group Long-Term Vision 2050," the Tender Offeror Group has, while positioning "biotechnology" as its core competence, outlined its vision to enhance its corporate value and strengthen its social presence by integrating "Washu and Japanese foods as a part of everyday global cuisine" within the alcoholic beverages and Japanese food ingredients sectors, "good health for each and every one" within the life science supporting industry sector, and challenging itself to "generate value in new fields."
- For the creation of new businesses within the Tender Offeror Group, as indicated in the Company's long-term vision, the products and services sectors related to "bio-manufacturing," such as the sectors of environment, manufacturing and energy, marine, and food and plants, are expected to be included beyond the life science industry support sector and medical and healthcare field. Therefore, it is important for the entire Tender Offeror Group, including the Company, to allocate and infuse tangible and intangible management resources such as labor, property, money and information. Furthermore, especially during phases such as hypothesis testing and the preparation of business plans, it is essential to integrate the respective expertise and know-how of the Tender Offeror's business sectors other than those of the Company, with the Company's business sectors.
- However, in the current situation where the Company and the Tender Offeror

each operate independently as listed companies, given that the Company has general shareholders other than the Tender Offeror, if the Tender Offeror provides management resources to the Company that contribute to the enhancement of corporate value, any shareholder of the Tender Offeror or other person may point out the issue that a portion of the profits will flow out to parties outside the Tender Offeror Group. Therefore, the entire Tender Offeror Group will face certain limitations in allocating management resources to the Company. In addition, considering management independence of the Company as a listed company, the proprietary technologies, know-how, and customer information accumulated by each of the Tender Offeror and the Company constitute confidential information and thereby impose restrictions on information sharing. As a result, the above can be a factor hindering the efficient, effective, and integrated utilization of intellectual properties and intangible assets in new business development.

- Among these situations, making the Company a wholly owned subsidiary through the Transactions and eliminating the limitations above will resolve the conflict-of-interest relationship, and as a result, the limitations on the allocations and investments of management resources within the entire Tender Offeror Group, including the Company, will be eliminated, and more effective and swift initiatives for new business development and commercialization can be promoted. In addition, the sharing of various information, including confidential information, will be enabled within the entire Tender Offeror Group, including the Company, and more efficient, effective, and integrated utilization of intellectual properties and intangible assets can become possible.
- Through these measures, the feasibility of creating new business sectors for the entire Tender Offeror Group, utilizing “biotechnology,” including “DNA technologies,” which is the core competence of the Company, will be significantly enhanced. Although it requires further discussion and consultation with the Company to determine specific themes, one example that can be cited is the provision of products and services that contribute to the procurement of raw materials and reduction of the environmental impact through new technological development and solutions in agriculture and environmental fields.
- Through such process, the expansion of existing businesses of both companies can be promoted, including the efficient production of organic compounds utilizing biotechnology beneficial to the Tender Offeror Group, including the Company, and the expansion of the Company’s existing business sectors by utilizing the Tender Offeror Group’s various domestic and global networks, etc., held in other businesses of the Tender Offeror Group.
- These initiatives for new business development and scaling up will also lead to the acquisition of sales and profits in new sectors beyond the framework of the life science supporting industry business within the Company’s existing businesses, such as the Reagents and Instruments business and the CDMO business.

(d) Reduction of listing maintenance costs

- To maintain the stock exchange listing, the Company is required to bear significant operational burdens, including various expenses (listing fees, cost for preparation of disclosure documents, outsourcing fees for a stock transfer agent, audit fees, etc.) and the operational load associated with handling, etc., of general shareholders. In addition, due to the recent revisions to the corporate governance code, strengthened regulations on capital markets, and other factors, the costs required for disclosure, audit fees, and other necessary ongoing expenses, as well as the operational load, are expected to continue increasing going forward.
- However, if making the Company a wholly owned subsidiary is realized, it would enable the reduction of such costs and operational load and contribute to the Company's urgent task of reform of the revenue structure.

D. Explanations given by the Company regarding the synergies expected through the Transactions

The Special Committee received from the Company explanations as to why it believes the following synergies can be realized through the Transactions.

(a) Maximization of growth potential

- In the "Takara Bio Group Medium-Term Management Plan 2026," the Company has established the following as its business strategies: "Establish our status as a global platform provider responsible for the infrastructure in the life sciences industry," "Improve the global manufacture and marketing system," "Make the quality control processes more solid and efficient, and strengthen technological capabilities for manufacture," "Maximize the value of fundamental biologics development technologies," and "Accelerate the development of new products and services by selecting and concentrating on research and development projects."
- The Tender Offeror Group has established its position as one of leading manufacturers in Japan with unique strengths in the alcoholic beverages and Japanese food ingredients sectors, as the Tender Offeror Group possesses global network for sales and procurement that extends beyond Japan, in addition to technical expertise in fermentation, as well as a stable and efficient manufacturing system that have been cultivated over many years through the development and manufacturing of sake, shochu, and seasoning products where it holds top-tier market share in Japan. On the other hand, while the Company is advancing its business to expand sales of the Company's reagent products and contract services related to genetic analysis in the CDMO business from research and development applications to industrial applications, the Company has not fully grasped the needs in industrial fields other than research and healthcare and has not fully captured the opportunities to expand its business into these fields. By leveraging expertise and know-how regarding manufacturing, development, and sales cultivated by the Tender Offeror Group through years of business operations, as well as its extensive global network, the Company will be able to achieve the

development and research of new products and services, expansion of sales for industries other than healthcare, and business development of new business fields, such as environment, manufacturing/energy, marine, and food/plants, and thereby establish its status as a global platform provider responsible for the infrastructure in the broader field of the life sciences industry.

- Since, at the present time, both the Company and the Tender Offeror are independent listed companies, certain constraints have existed on deeper collaboration due to structural conflicts of interest that may arise between the Tender Offeror and the general shareholders of the Company. However, following the Transactions, it will be possible to align the interests of the Tender Offeror Group and the Company while simultaneously enabling more flexible and swift decision-making by the Company, and that this will enable the Company to strengthen technological capabilities for manufacturing, including promoting manufacturing efficiency and improving the levels of manufacturing management and quality control, within the business of the Company. Also, it can be expected that by enabling close business collaboration at all times, regardless of whether it is new or existing, including the sharing of manufacturing, management, and sales know-how that is inevitable for the achievement of the long-term vision in the future more than ever before, the Company will be able to maximize its growth potential. Furthermore, the Company can expect that, since the constraints on swift and flexible information sharing between listed companies that have existed between the Tender Offeror under the previous situation where both parent and subsidiary companies are listed will be resolved through the Transactions, the Company will be able to engage in personnel exchanges with the Tender Offeror in areas where the employees of the Company lack experience, and that, since the employees of the Company will be able to enjoy opportunities to acquire the Tender Offeror's expertise in factory management and overseas experience, the Company will be able to enhance its employees' skills, which will enable the Company to secure and develop the specialized personnel essential for executing its growth strategy. In addition, the Company can expect that, since the constraints on information sharing will be resolved through the Transactions, the Company will be able to engage in closer information exchange and collaboration with the Tender Offeror, which has been insufficient due to constraints on free opinion exchange and information sharing regarding technological inventions and know-how arising from conflicts of interest issues that have currently existed due to the situation where both parent and subsidiary companies are listed, and that this will enable broader collaboration for joint development and the creation of new products and services.
- Since both the Company and the Tender Offeror share the "TaKaRa Five Values" that represent the values of the Tender Offeror Group, as well as corporate culture and climate, collaboration between both parties following the Transactions will proceed smoothly, which will enable the relatively early achievement of the aforementioned synergies. In addition, while the Tender Offeror Group operates

various businesses, including beverages and food sector, as an integrated entity, there is no overlap in business fields with the Company. Therefore, for the Tender Offeror, the potential for business development in the aforementioned new business fields can be widely expected. Based on these factors, the Tender Offeror is considered as the optimal partner to maximize the growth potential of the Company.

(b) Acceleration of reform of the revenue structure

- After the COVID-19 global pandemic subsided, due to the impact of a global slowdown in the life science research market and other factors, the Company revised downward its earnings forecast for the fiscal year ending March 31, 2026. Under these circumstances, the Company believes that early recovery of profitability is essential.
- In this regard, the Company considers that the Tender Offeror Group has established a stable business foundation in the domestic alcohol beverage market as a manufacturer holding a top-tier market share across multiple categories such as shochu, sake and mirin, and that since the establishment of the Company, the Tender Offeror has held a deep expertise in the Company's business and life science industry as the Company's parent company. Therefore, the Company believes that through making available the timely and appropriate allocation of the Tender Offeror's financial resources, and production and management know-how, to the Company, such allocation of resources and know-how will enable the Company to improve efficiency in its manufacturing and management operations, and the Company may thereby develop a structure that consistently generates profits commensurate with its asset scale.

(c) Acceleration of the group's business strategies through mutual provision of expertise by increasing personnel exchanges

- As described in (a) above, the Company considers that, under the current situation where both parent and subsidiary companies are listed, care must be taken to ensure that no conflict of interests arises between the Tender Offeror and the Company's general shareholders, and such relationship means that personnel exchanges and mutual sharing of know-how are not being sufficiently implemented. The Company believes that, if the Tender Offeror becomes the sole shareholder of the Company by making the Company a wholly owned subsidiary of the Tender Offeror through the Transactions, the structural conflict of interests between the Tender Offeror and the Company's general shareholders, which is a barrier to implementing measures potentially involving short-term losses, and the constrains on information sharing arising from the Tender Offeror and the Company each operating independently as listed companies will be resolved, and therefore personnel exchanges and the active sharing of expertise and how-how associated with such exchanges will be possible.
- The Company has set the goal of becoming a global platform provider responsible

for the infrastructure of the life science industry in the “Takara Bio Group Medium-Term Management Plan 2026.” The Company also believes that the constraints on information management, etc. due to the situation where both parent and subsidiary companies are listed have prevented active implementation of the enhancement of human resources through secondments from the Tender Offeror Group holding expertise in the beverage and food sectors to the Company, but if such enhancement becomes possible, the Company may accelerate its business strategies by jointly promoting development of manufacturing technologies and new businesses with the Tender Offeror.

(d) Reduction of listing maintenance costs

- To maintain the stock exchange listing, the Company is required to bear significant operational burdens, including various expenses (listing fees, cost for preparation of disclosure documents, outsourcing fees for a stock transfer agent, audit fees, etc.) and the operational load associated with handling, etc., of general shareholders. In addition, due to the recent revisions to the corporate governance code, strengthened regulations on capital markets, and other factors, the costs required for disclosure, audit fees, and other necessary ongoing expenses, as well as the operational load, are expected to continue increasing going forward.
- However, if making the Company a wholly owned subsidiary is realized, it would enable the reduction of such costs and operational load and contribute to the Company’s urgent task of reform of revenue structure.

E. Assessments

It is found that the measures to enhance the Company’s corporate value contemplated by the Company and the Tender Offeror after the implementation of the Transactions do not conflict with each other, and that the parties involved in the Transactions hold a common understanding regarding the synergies in the Transactions. Each of the said synergies has rationality as follows.

(a) Acceleration of the reform of revenue structure

- The Company and the Tender Offeror expect that the swift and appropriate application of the Tender Offeror’s production and management know-how, etc. to the Company will become available, and that the resulting improvement of the Company’s operational efficiency will enable early recovery of its revenue structure.
- The Tender Offeror Group has continuously worked to advance manufacturing and production management, inventory management, cost management, and other areas, as one of the leading food and beverage manufacturers in Japan. The group has also achieved certain results through cost reductions and operational efficiency improvements within its indirect divisions. The Tender Offeror holds deep expertise in the Company’s business and the life science industry as the Company’s parent company. Accordingly, it is deemed reasonable to expect that the swift and appropriate application of the Tender Offeror’s know-how, etc. will

improve the Company's operational efficiency and thereby enable an early recovery of its revenue structure.

(b) Reinforcement of the Company's existing businesses and expansion of business segments

- The Company and the Tender Offeror expect that improvement in manufacturing efficiency and technical capacities within the Company's existing businesses, including the CDMO business, will be further reinforced, and that the Company's business sectors will be expanded.
- The Company has not fully grasped the needs in industrial fields related to "bio-manufacturing" other than research and healthcare and has not fully captured the opportunities to expand its business into these fields. On the other hand, the Tender Offeror holds expertise, know-how and a global network regarding manufacturing, development and sales accumulated through years of business operations. These assets can be utilized for development and sales expansion to industrial markets for new products, manufacturing and quality control, etc. for the Company's products. Therefore, it is deemed reasonable to expect that improvement in manufacturing efficiency and technical capacities within the Company's existing businesses will be further reinforced, and that the Company's business sectors will be expanded.

(c) Reinforcement of development of new businesses within the Tender Offeror Group including the Company

- The Company and the Tender Offeror expect that the Company, who holds expertise in "biotechnology" including "DNA capabilities," and the Tender Offeror, who holds know-how in the beverage and food sectors, may create new business sectors for the entire Tender Offeror Group.
- Since the Company and Tender Offeror share the "TaKaRa Five Values" that represent the values of the Tender Offeror Group, including the Company, as well as corporate culture and climate, it is considered that the collaboration between the two companies after the Transactions will proceed smoothly, and that the enhancement of human resources through secondments from the Tender Offeror Group, holding know-how in the beverage and food sectors, to the Company and other measures will be promoted. Meanwhile, given that there is no overlap in business sectors between the Company and the Tender Offeror Group, the potential for business development in new fields is extensive. Therefore, it is reasonable to expect that the Company and the Tender Offeror will be able to create new business sectors for the entire Tender Offeror Group, and that the Company's growth potential can be maximized.

(d) Reduction of listing maintenance costs

While the Company and the Tender Offeror expect that making the Company a wholly owned subsidiary will reduce the costs and operational load to maintain the

listing and contribute to the Company's reform of its revenue structure, this expectation is reasonable because reducing the various expenses required to maintain the Company's listing and the operational load associated with handling, etc. of general shareholders will enable the Company to reduce expenditures and apply its business resources to other sectors.

As described above, the expectations of the Company and the Tender Offeror are based on objective facts and do not conflict with the matters previously disclosed by the Company. Furthermore, although all members of the Special Committee serve as external officers of the Company, the expectations of the Company and the Tender Offeror are consistent with the insights of such members gained from the information regarding the Company's businesses through their role as external officers, and are therefore deemed reasonable.

Based on the foregoing, the parties involved in the Transactions list the following synergies in the Transactions: the acceleration of the reform of the revenue structure; the reinforcement of the Company's existing businesses and expansion of its business sectors; the reinforcement of development of new businesses for the Tender Offeror Group, including the Company; and the reduction of listing maintenance costs. Also, taking into consideration the fundamental perspective on resolving the Company's business issues as discussed in A. and B. above, it can be found that the synergies in the Transactions will contribute to the enhancement of the Company's corporate value.

(2) Management policy of the Company after the successful completion of the Transactions

The Special Committee confirmed the following regarding the Tender Offeror's views on the Company's management policy after the successful completion of the Transactions.

- After making the Company a wholly owned subsidiary, the Tender Offeror plans to achieve profitability and rebuild new growth strategies at an early stage by strengthening consultation and collaboration between the Company and the Tender Offeror, promoting the mutual use of technology, know-how, customers, and markets among the Tender Offeror Group, including the Company, through integrated management, and reforming the revenue structure.
- As of the date of the Recommendation, the management structure of the Company after the Transactions remains undetermined; however, the Tender Offeror, upon consultation with the Company going forward, plans to consider changes to the number, compensation, etc. of the officers, including Directors, as well as revisions to the structure of decision-making, reporting, and communication accompanying the privatization. Furthermore, the Tender Offeror plans to continue dispatching Directors to the Company.
- The Tender Offeror, upon consultation with the Company going forward, plans to consider the appropriate number of, and changes to, personnel, including secondments and transfers within the group. Furthermore, after the successful completion of the Tender Offer, the Tender Offeror intends to make no changes

to the current employment conditions of the employees of the Company, in principle.

(3) Disadvantages arising from the Transactions

The Special Committee confirmed the following regarding the Tender Offeror and the Company's views on the disadvantages of the Transactions.

- In general, the disadvantages associated with making a company private include that it will not be possible for the relevant company to raise funds from the capital markets and to enjoy the benefits it has enjoyed as a listed company, such as gaining social credibility from external parties, including business partners, maintaining name recognition, and securing talented personnel through recruitment activities based on these factors.
- However, in terms of fundraising, the Tender Offeror and the Company believe that there will be no impact since the current financial foundation of the Company is sound and it can obtain financing by leveraging the creditworthiness of the Tender Offeror Group. Furthermore, the Tender Offeror and the Company believe that the impact of the disadvantages associated with the delisting after the Transactions will be minimal and will not outweigh the expected benefits of enhancing the Company's corporate value, as stated above, because a) the Company has already built a certain level of credibility with its business partners and it is considered unlikely that the existing business relationships will significantly deteriorate due to the delisting of the Company Shares; b) the social credibility and name recognition established by the Company through its business operations to date will not be immediately lost due to the delisting, but rather, it is expected that the Company becoming a wholly owned subsidiary of the Tender Offeror, which is a listed company that has built a certain level of social credibility through long-term business operations, will help maintain and enhance the Company's social credibility and name recognition; and c) it is also considered possible to limit the impact on recruitment activities by reviewing the methods employed by the Tender Offeror Group.

(4) Summary

There is nothing unreasonable about the details of the explanations provided by the Company and the Tender Offeror; and in light of the Company's business environment, business challenges, and the future outlook for the business, etc., the synergies described in (1) above can be expected to be realized through the implementation of the Transactions, and thereby help the Company to overcome its business challenges. Therefore, even considering certain disadvantages described in (3) above that are anticipated from the Transactions, it is recognized that the Transactions will contribute to enhancing the Company's corporate value for all stakeholders.

Accordingly, the Special Committee has determined that the purpose of the Transactions is reasonable.

3 The fairness and appropriateness of the terms and conditions of the Transactions (including the price of the Transactions)

(1) Obtainment of share valuation reports from independent third-party valuation agencies

The Company obtained the Share Valuation Report (Daiwa Securities) prepared by Daiwa Securities, a third-party valuation agency independent of the Company Group and the Tender Offeror Group as well as the outcome of the Transactions. The Special Committee has appointed Plutus as a third-party valuation agency independent of the Company Group and the Tender Offeror Group as well as the outcome of the Transactions, and obtained the Share Valuation Report (Plutus) prepared by Plutus. The Special Committee received detailed explanations from Daiwa Securities and Plutus regarding the calculation methods, etc. used in such share valuation reports.

According to the Share Valuation Report (Daiwa Securities), the value per Company Share is in the ranges of 808 yen to 872 yen based on the market share price method and 777 yen to 1,171 yen based on the DCF Method.

According to the Share Valuation Report (Plutus), the value per Company Share is in the ranges of 808 yen to 872 yen based on the market share price method; and 661 yen to 1,247 yen based on the DCF Method.

The Special Committee conducted question-and-answer sessions with Daiwa Securities and Plutus regarding the selection of the valuation methods, analysis of the market values and trading volume based on the market share price method, the Business Plan underlying the calculation of the DCF method, the financial forecasts based on the Business Plan, the calculation methods of continued value, and the basis for calculating the discount rate etc. After reviewing the differences in the calculation results, the Special Committee found no unreasonable aspects in light of generally accepted valuation practices.

The Company's financial forecasts underlying such calculations are based on the Business Plan for the 11 fiscal years from the fiscal year ending March 31, 2026 to the fiscal year ending March 31, 2036. The Special Committee received the following explanation from the Company regarding the process of preparing the Business Plan.

- After around July 2025, the Company began reviewing the Draft Medium-Term Management Plan for the target period from the fiscal year ending March 31, 2027 to the fiscal year ending March 31, 2031. If the Transactions did not take place, the Company planned to finalize it as a medium-term management plan, obtain approval at the meeting of the Board of Directors scheduled to be held in March 2026, and subsequently make a public announcement.
- Since the proposal for the Transactions was made during the preparation process of the Draft Medium-Term Management Plan, the Business Plan was prepared in parallel with the Draft Medium-Term Management Plan. Therefore, the financial forecasts for the same period are the same as those in the Draft Medium-Term Management Plan.
- Of the Draft Medium-Term Management Plan and the Business Plan, the portion up to the fiscal year ending March 31, 2031 (collectively, the “**Business Plan (Up To FYE March 31, 2031)**”) was prepared by the Corporate Development Department, which aggregated the initial plans drafted by the Company's respective business units

and subsidiaries that had no involvement in the Transactions, and thereafter Mr. Tsuyoshi Miyamura, Representative Director, provided comments thereon. As the knowledge and experience of Mr. Tsuyoshi Miyamura, Representative Director were considered indispensable, there would have been significant concerns regarding the feasibility and adequacy of the Business Plan (Up To FYE March 31, 2031) if he had not been involved. Therefore, it was highly necessary to involve him in the preparation of the Business Plan (Up To FYE March 31, 2031), and accordingly, he was involved in the preparation process of the Business Plan (Up To FYE March 31, 2031). Since the portion of the Business Plan on and after the fiscal year ending March 31, 2032 was outside the period covered by the Draft Medium-Term Management Plan, it was independently prepared by the Corporate Development Department and the Executive Officers excluding Mr. Tsuyoshi Miyamura, Representative Director, who has special interests.

- Although Mr. Tsuyoshi Miyamura, Representative Director, holds a position as a Senior Managing Executive Officer of the Tender Offeror, all his comments during the preparation of the Business Plan (Up To FYE March 31, 2031) were intended to suggest upward revisions to the initial plans prepared by the Corporate Development Department, and were not intended to diminish the Business Plan or decrease the value of the Company Shares. Furthermore, the Company has obtained confirmation from all of the internal Directors of the Company (Mr. Junichi Mineno, Mr. Katsuhiko Kusakabe and Mr. Yoh Hamaoka) excluding those with special interests, that there are no unreasonable points in the preparation process of the Business Plan, as well as the appropriateness of the comments made by Mr. Tsuyoshi Miyamura, Representative Director (that none of his comments were intended to diminish the Business Plan).

Based on the above explanation regarding the preparation process of the Business Plan including the Business Plan (Up To FYE March 31, 2031), no unreasonable points were found in the preparation process of the Business Plan. Therefore, it is reasonable to use the Business Plan as a basis for the share valuation. Furthermore, since once the Transactions are implemented, the Company will become a wholly owned subsidiary of the Tender Offeror, the Draft Medium-Term Management Plan is not yet finalized as a medium-term management plan as of the date of the Recommendation, and no resolution by the Board of Directors or public announcement is scheduled.

The figures of the financial forecasts of the Company indicated in the Business Plan that Daiwa Securities and Plutus used as the basis for the share valuation include fiscal years that anticipate significant increases or decreases in profits and significant increases or decreases in free cash flow.

The specific details will be stated in the Opinion Press Release. For each fiscal year from the fiscal year ending March 31, 2027 to the fiscal year ending March 31, 2031, the explanation will include specific fluctuation items and figures regarding increases and decreases. It is recognized that such explanation is concrete and reasonable.

Therefore, it is determined that the appraisal values of the Company Shares in the Share

Valuation Report (Daiwa Securities) and the Share Valuation Report (Plutus) are not unreasonable. Although no fairness opinion was obtained from either third-party valuation agency, the obtainment of the Share Valuation Report (Daiwa Securities) and the Share Valuation Report (Plutus) sufficiently verifies the appropriateness of the price. Furthermore, as described in “4 The fairness of the procedures of the negotiations process, etc. leading up to the Transactions,” given that the measures to ensure the fairness of the Tender Offer Price and to avoid conflicts of interest have been implemented, it is determined that the fairness of the Transactions, including the Tender Offer Price, is ensured.

(2) Tender Offer Price

The Tender Offer Price significantly exceeds the upper limit (872 yen) of the range of the calculation results based on the market share price method as shown in the Share Valuation Report (Daiwa Securities) and the Share Valuation Report (Plutus). Additionally, it is found that it significantly exceeds the median value of the range of the calculation results based on the DCF Method as shown in the Share Valuation Report (Daiwa Securities) and the Share Valuation Report (Plutus).

In addition, the Tender Offer Price (1,150 yen) represents premiums of 40.42% on 819 yen, the closing price of the Company Shares on the Prime Market of the TSE as of February 12, 2026, which is the business day immediately preceding the scheduled date of announcement of the Tender Offer; 41.45% on 813 yen, the simple average closing price for the one-month period preceding such date (from January 13, 2026 to February 12, 2026); 42.33% on 808 yen, the simple average closing price for the three-month period preceding such date (from November 13, 2025 to February 12, 2026); and 31.88% on 872 yen, the simple average closing price for the six-month period preceding such date (from August 13, 2025 to February 12, 2026), respectively. This means that premiums exceeding 40% were added to the closing price on the business day immediately preceding the scheduled date of announcement of the Tender Offer and to the simple average closing prices for the preceding one-month period and three-month period. With reference to the median values of premiums (of 38.0% on the closing prices as of the business day immediately preceding the scheduled date of announcement, 39.9% on the simple average closing prices for the preceding one-month period, 39.5% on the simple average closing prices for the preceding three-month period, and 38.0% on the simple average closing prices for the preceding six-month period) in 82 cases of tender offers that are considered to be similar to the Tender Offer, in which the parent companies intended to make certain companies their wholly owned subsidiaries, announced on or after June 28, 2019, the date on which the Fair M&A Guidelines were published by the Ministry of Economy, Trade and Industry, all premiums exceed the median values except for the premium on the simple average closing price for the preceding six-month period. On the other hand, the premium on the simple average closing price for the preceding six-month period may not necessarily be considered high compared to the premium level in the aforementioned cases. However, if the premium levels (the median premiums of 23.8% on the closing prices of the target companies' shares on the TSE as of the business

day immediately preceding the base date; 29.9% on the simple average closing prices for the one-month period preceding such business day; 30.8% on the simple average closing prices for the three-month period preceding such business day; and 29.3% on the simple average closing prices for the six-month period preceding such business day, respectively) in 25 cases among the aforementioned cases with total tender offer prices similar to the Tender Offer (cases with a total purchase amount of 50 billion yen or more), are also taken into account, it can be said that the Tender Offer Price represents a reasonable premium level.

Based on the above, the Tender Offer Price is found to be appropriate as it represents a premium at a reasonable level.

(3) The fairness of the procedures of the negotiations process

As described in “4 The fairness of the procedures of the negotiations process, etc. leading up to the Transactions” below, as it is acknowledged that the procedures in the negotiation process leading up to the Transactions, including the Tender Offer, are fair, it is recognized that the Tender Offer Price has been determined based on the results of such negotiations.

(4) Downward revision disclosures

As described in the Downward Revision Disclosure (1), the Company revised downward its consolidated financial results forecasts for the first half of the fiscal year ending March 31, 2026. In addition, as described in the Downward Revision Disclosure (2), the Company revised downward its consolidated financial results forecasts for the full year of the fiscal year ending March 31, 2026.

According to the Company, the Downward Revision Disclosure (1) was attributable to factors such as the expectation that sales would fall below the previously announced forecast, and, consequently, operating profit and ordinary profit would also fall below the previously announced forecast, as well as the recognition of extraordinary loss which were led by the global decline in research and development activities within both industry and academia due to a global downturn in the life sciences research market, combined with the impact of significant reductions in research grants under U.S. government policies and the Chinese economic situation. Regarding the recognition of extraordinary loss, orders from major customers for manufacturing facilities for contract manufacturing services, including cell processing, viral vectors and other products, which had been recorded as under construction in progress for a long period of time, were no longer expected. Although subsequent operating activities were pursued, following the inspection of fixed assets conducted in June 2025, the likelihood of future use was thoroughly reviewed. Starting in August 2025, with advice from Deloitte Touche Tohmatsu LLC, it was decided to record an impairment loss on the relevant assets in the first half of the fiscal year ending March 31, 2026. In addition, the Downward Revision Disclosure (2) is attributable to factors such as the expectation that the global life sciences research market will remain sluggish and there will be a shortfall in acquiring new projects in the CDMO business in Japan. Therefore, the Downward Revision Disclosure (2) was

made independently of the Transactions.

According to the Tender Offeror, the Tender Offeror commenced consideration of the Transactions in late September 2025. It can be said that both the factors underlying the Downward Revision Disclosure (1) and the decision-making process leading up to the recognition of impairment loss on the relevant assets related to the Downward Revision Disclosure (2) existed prior to the Tender Offeror's commencement of consideration of the Transactions. Hence, it is reasonable to believe that the downward revision disclosures are unrelated to the commencement of consideration of the Transactions and were not made by the Company for the purpose of intentionally lowering the value of the Company Shares. Therefore, the Company believes that there is no problem in taking into account the value of the Company Shares after the downward revision disclosures when determining the share value based on the market share price method by Daiwa Securities and Plutus as described in (1) above, and the premium level of the Tender Offer Price as described in (2) above.

(5) Reasonableness of the method of the Transactions

The acquisition method for the Transactions is planned to be carried out by a two-step acquisition through conducting a cash tender offer by the Tender Offeror followed by the Privatization Procedures (a demand to cash out or a share consolidation).

This method, in which a tender offer is made in the first step and a demand to cash out or a share consolidation is made in the second step, is a method generally employed for a transaction to make a company a wholly owned subsidiary, and a petition for the determination of the sale price to the court or a petition for the determination of the price after a demand of share purchase can be made in any of the procedures.

Shareholders who did not participate in the Tender Offer will ultimately receive money in the Privatization Procedures scheduled to be implemented after the Tender Offer. With respect to the amount of money to be paid under such procedures, it will be explicitly stated in the press releases and other communications that such amount is intended to be determined to be equal to the Tender Offer Price multiplied by the number of Company Shares held by those shareholders. Therefore, since such method is generally used in similar cases to the Transactions, and the opportunity for general shareholders to raise objections regarding the price is secured, the procedures are deemed reasonable.

(6) Summary

Based on the above, as a result of careful consultation and review, the Special Committee determined that the terms and conditions of the Transactions (including the price of the Transactions) are fair and appropriate.

4 The fairness of the procedures of the negotiations process, etc. leading up to the Transactions

(1) Establishment of an independent special committee

In light of the fact that the Company is a consolidated subsidiary of the Tender Offeror and that the Transactions, including the Tender Offer, are of a type in which there are typically issues of structural conflicts of interest and information asymmetry, and from

the perspective to ensure the fairness of the Transactions, the Company, in examining the Transactions, obtained advice and opinions etc. from Daiwa Securities as financial advisor and Oh-Ebashi as legal advisor, both independent of the Company Group, the Tender Offeror Group, and the outcome of the Transactions, and established the Special Committee independent of the Company Group, the Tender Offeror Group, and the outcome of the Transactions.

All members of the Special Committee are independent of the Company Group, the Tender Offeror Group, and the outcome of the Transactions. The remuneration to the members of the Special Committee does not include a performance fee, and the members of the Special Committee have no material interest in the outcome of the Transactions.

Furthermore, from the perspective of enhancing the Company's corporate value and ensuring the interests of the Company's general shareholders, the Special Committee conducted careful consideration and consultation on the fairness and appropriateness of the terms and conditions of the purchase for the Tender Offer, including the Tender Offer Price, as well as the fairness of the series of the procedures of the Transactions. Moreover, in establishing the Special Committee, the Board of Directors of the Company resolved that, it shall make decisions with the utmost respect to the determinations made by the Special Committee when making decisions regarding the Transactions; and if the Special Committee does not determine that the terms of the Transactions are fair and appropriate, the Board of Directors of the Company shall resolve not to support the Transactions on such terms.

(2) Obtainment of independent professional advice from external experts

At the first meeting, the Special Committee confirmed that there is no issue with the independence and expertise of Daiwa Securities and Oh-Ebashi, and approved them as the financial advisor and legal advisor of the Company, respectively, and confirmed that the Special Committee has no objection to receiving professional advice from these advisors. Furthermore, the Special Committee confirmed that there is no issue with the independence and expertise of Plutus and Yodoyabashi & Yamagami, and appointed Plutus as its own independent third-party valuation agency and Yodoyabashi & Yamagami as its own independent legal advisor, and has received advice from them on financial and legal perspectives, including strategies for negotiation with the Tender Offeror.

(3) Process of consultation and negotiation by the Company

In accordance with the negotiation strategies approved by the Special Committee in advance, the Company conducted substantive consultations and negotiations with the Tender Offeror on multiple occasions regarding the Tender Offer Price to ensure its fairness and appropriateness from the perspective of ensuring the interests of the general shareholders. The specific negotiation process is as follows.

- i) On January 15, 2026, the Company received a proposal regarding the terms and conditions of the Transactions, including the Tender Offer Price, from the Tender Offeror, to set the Tender Offer Price at 950 yen.

- ii) In response thereto, after obtaining the approval of the Special Committee, on January 20, 2026, the Company requested the Tender Offeror to consider raising the proposal price, as it believed that the level of the proposal price did not sufficiently give consideration to the interests of the general shareholders of the Company.
- iii) On January 21, 2026, the Company received a revised proposal from the Tender Offeror to set the Tender Offer Price at 1,020 yen.
- iv) In response thereto, after obtaining the approval of the Special Committee, on January 23, 2026, the Company requested that the Tender Offeror reconsider raising the proposal price, as such price was still not recognized as being at a level that would sufficiently ensure the interests of the general shareholders of the Company, in light of the market price trends of the Company Shares over the past year, which, following two downward revisions to earnings forecasts (for the fiscal year ended March 31, 2025 and the fiscal year ending March 31, 2026), does not reflect the Business Plan (unannounced until February 13, 2026); the premium levels in the Similar Past Cases (privatization cases by way of tender offers by parent companies intended to make certain companies their wholly owned subsidiaries); and the details of the analysis of values of the Company Shares conducted by Daiwa Securities, the financial advisor of the Company, and Plutus.
- v) On January 27, 2026, the Company received a revised proposal from the Tender Offeror to set the Tender Offer Price at 1,080 yen.
- vi) In response thereto, after obtaining the approval of the Special Committee, on February 3, 2026, the Company requested that the Tender Offeror reconsider raising the proposal price, as such price was still not recognized as being at a level that would sufficiently ensure the interests of the general shareholders of the Company, comprehensively considering the market price trends of the Company Shares, the premium levels in the Similar Past Cases, and the perspective of fairly distributing the synergies generated by the Transactions to the general shareholders, etc.
- vii) On February 5, 2026, the Company received a revised proposal from the Tender Offeror to set the Tender Offer Price at 1,110 yen.
- viii) In response thereto, after obtaining the approval of the Special Committee, on February 6, 2026, the Company requested that the Tender Offeror reconsider raising the proposal price, as such price was not recognized as being at a level that would be sufficient to continue its support for the Tender Offer and to recommend the general shareholders of the Company to participate in the Tender Offer.
- ix) On February 9, 2026, the Company received a revised proposal from the Tender Offeror to set the Tender Offer Price at 1,150 yen, as a final proposal price.
- x) The final proposal price represented premiums of 44.29% on 797 yen, the closing price of the Company Shares on the Prime Market of the TSE as of February 6, 2026, which is the business day immediately preceding February 9, 2026, on which the Company received the proposal; 41.10% on 815 yen, the simple average closing price for the one-month period preceding such date; 41.45% on 813 yen, the simple average closing price for the three-month period preceding such date; and 31.58% on 874 yen, the simple average closing price for the six-month period preceding such date,

respectively. The Company considered that reasonable premiums are added when compared to the premium levels in the Similar Past Cases, and the price significantly exceeds the median value of the range of the calculation results based on the DCF Method. Therefore, after obtaining the approval of the Special Committee, on February 9, 2026, the Company submitted a response stating that it would coordinate toward expressing its opinion in support of the Tender Offer and recommendation to tender, with the Tender Offer Price set at 1,150 yen, as its position at that time.

Throughout the above negotiation process, the Special Committee convened meetings each time the Tender Offeror submitted a price proposal as described in i), iii), v), vii), and ix) above. After receiving detailed explanations of the contents of each proposal from the Company and Daiwa Securities, the Special Committee expressed its opinions regarding the content and method of the responses of each proposal in order to make the Tender Offer Price as favorable as possible for the general shareholders, based on the preliminary valuation results of the Company Shares prepared by Daiwa Securities and Plutus, the premium levels of each proposal price, the premium levels in the Similar Past Cases (privatization cases by way of tender offers by parent companies intended to make certain companies their wholly owned subsidiaries), and advice from each advisor, etc. In addition, by approving the content and method, etc. of the response reflecting its opinions, the Special Committee thereby substantially participated in the price negotiations. Furthermore, the Company responded to each price proposal in accordance with the content and method, etc. approved by the Special Committee as described above.

Specifically, the Company conducted price negotiations, including the presentation of its written responses which were approved by the Special Committee, through Daiwa Securities as its point of contact, via Nomura Securities, the financial advisor of the Tender Offeror. As a result of the negotiations between the Company and the Tender Offeror, the Tender Offer Price of 1,150 yen per Company Share was determined after a total of 4 price increases, amounting to a 200 yen increase from the initial proposal of 950 yen per Company Share made by the Tender Offeror (21.05% increase from the initial proposal) (rounded to two decimal places).

- (4) Approval from all the Directors of the Company excluding those with special interests; opinion of no objection from all the Auditors of the Company

The Board of Directors of the Company, after deliberation by all 6 Directors of the Company excluding those with special interests, plans to adopt a resolution unanimously to express its opinion in support of the Transactions and to recommend the shareholders of the Company to tender their shares in the Tender Offer. This resolution is subject to obtaining the opinions from all 5 Auditors of the Company participating in the said meeting of the Board of Directors that they have no objection to adopting the foregoing resolution.

Furthermore, among the Directors of the Company, Mr. Koichi Nakao, Chairman of the Board of Directors, concurrently served as a Director of the Tender Offeror until June 2024. Mr. Tsuyoshi Miyamura, Representative Director, is concurrently serving as the

Senior Managing Executive Officer of the Tender Offeror, and Mr. Mutsumi Kimura, Director, is concurrently serving as the President of the Tender Offeror. Therefore, they were determined to be persons with special interests and did not participate in the Company's decision-making regarding the Transactions. Among the Directors who participated in the deliberations and resolutions at the above meeting of the Board of Directors, Mr. Junichi Mineno, Mr. Katsuhiko Kusakabe and Mr. Yoh Hamaoka belonged to the Tender Offeror prior to establishment of the Company in 2002, but more than 20 years have passed since they ceased to hold positions as employees of the Tender Offeror. Furthermore, those 3 Directors have no involvement in the Transactions from the side of the Tender Offeror and are not in a position to do so. Accordingly, it has been concluded that there is no risk of conflict of interests in the Company's decision-making in the Transactions, and those 3 Directors will participate in the deliberations and resolutions at the meeting of the Board of Directors above.

(5) Market check

Although the Company has not conducted an active market check to investigate and consider whether there is any potential acquirer in the market, it is recognized that this is appropriate as the Tender Offeror is the parent company of the Company.

Although the shortest tender offer period permitted under applicable laws and regulations is 20 business days, the Tender Offeror has set the tender offer period to be 34 business days. By setting the tender offer period to be relatively longer, the Tender Offeror intends to ensure an opportunity for the Company's shareholders to appropriately determine whether to tender their shares in the Tender Offer. The Tender Offeror and the Company have not executed any agreement which would restrict a counter-offeror's contact with the Company, such as an agreement containing transaction protection provisions that would prohibit the Company from contacting a counter-offeror, and have given consideration to ensuring the fairness of the Tender Offer by not preventing any opportunity to make counteroffers or other proposals. Thus, it can be assessed that a market check will be indirectly conducted.

(6) Elimination of coercion

i) The Tender Offeror intends to request that the Company, promptly after completion of settlement of the Tender Offer, convene an Extraordinary Shareholders' Meeting, which will include in its agenda proposals a demand for cash out of the Company Shares (excluding the shares held by the Tender Offeror) or to conduct a share consolidation according to the number of shares to be acquired by the Tender Offeror upon successful completion of the Tender Offer, and it will not adopt methods in which the Company's shareholders are not ensured the ability to exercise shareholders' rights to demand the purchase of their shares and rights to demand determination of the value of such shares; and ii) in the demand for cash out or the share consolidation, it intends to ensure that the amount of cash to be delivered to the Company's shareholders as consideration will be determined in a manner in which such amount is equal to the price obtained by multiplying the Tender Offer Price by the number of the Company Shares owned by each

shareholder (excluding the Tender Offeror and the Company). Accordingly, the Tender Offeror has ensured the opportunity for the Company's shareholders to appropriately determine whether to tender their shares in the Tender Offer, and in doing so has given consideration to avoiding coercion of the Company's shareholders.

(7) Appropriate information disclosure

The Special Committee received explanations regarding the contents of each draft of the opinion statement report and the Opinion Press Release scheduled to be submitted by the Company, as well as the Tender Offer Notification scheduled to be announced by the Tender Offeror, and also retained advice from Oh-Ebashi and Yodoyabashi & Yamagami, and thereafter confirmed the contents thereof. These drafts are expected to provide sufficient disclosure of the outline of the Share Valuation Report (Daiwa Securities) and the Share Valuation Report (Plutus), the background of review by the Special Committee, the involvement in the negotiation process regarding the terms and conditions of the Transactions with the Tender Offeror, and the Recommendation, etc.

(8) Establishment of the majority-of-minority condition

In the Tender Offer, the concept of majority-of-minority is not adopted with respect to the minimum number of shares to be purchased.

The Fair M&A Guidelines point out concerns about the possible deterrence of M&A transactions that contribute to the enhancement of corporate value in cases where an acquiring party holds a large number of shares of the target company, such as an acquisition of a controlled company by the controlling shareholder, and states that the adoption of a majority-of-minority condition is not mandatory. Therefore, the decision not to establish the majority-of-minority condition is not a decisive negative factor in the Tender Offer.

Further, it is recognized that many measures to ensure fairness other than establishing a majority-of-minority condition have been adopted in connection with the implementation of the Tender Offer.

Accordingly, the absence of a majority-of-minority condition in the Tender Offer is not considered to impair the fairness of the terms and conditions of the Transactions.

(9) Absence of other facts that cast doubt on fairness

In addition to the above, no facts have been identified that would suggest the Company was unduly influenced by the Tender Offeror during the process of discussions, considerations, and negotiations concerning the Transactions.

(10) Summary

Based on the above, as a result of careful deliberation and consideration by the Special Committee, it was determined that appropriate measures to ensure fairness have been implemented in the Transactions and that the procedures, including the negotiation process leading up to the Transactions, are fair.

5 Conclusion

As a result of careful consideration regarding whether it is appropriate for the Board of Directors of the Company to make a decision to implement the Transactions (i.e., express its opinion in support of the Tender Offer, recommend that the Company's shareholders tender their shares in the Tender Offer, and implement the procedures necessary for the Privatization Procedures), and whether such decision making by the Board of Directors is fair and appropriate for the general shareholders of the Company, based on 1 through 3 above and other matters, it was determined that it is appropriate for the Board of Directors of the Company to make a decision to implement the Transactions and that the Transactions are fair and appropriate for the general shareholders of the Company.

iv) Obtainment of a share valuation report from an independent third-party valuation agency by the Special Committee

In considering the Consultation Matters, in order to ensure the appropriateness of the terms and conditions of the Transactions, including the Tender Offer Price, the Special Committee requested Plutus, which is a financial advisor and a third-party valuation agency independent of the Tender Offeror Group and the Company Group, to calculate the value of the Company Shares. On February 12, 2026, the Special Committee obtained the Share Valuation Report (Plutus).

Please refer to "iii) Obtainment of a share valuation report from an independent third-party valuation agency by the Special Committee" in "(3) Matters Related to Calculation" in "3. Details of the Opinion Regarding the Tender Offer, and the Basis and Reasons Thereof" of the Opinion Press Release.

Plutus is not a related party of the Tender Offeror affiliates group or the Company Group, and has no material interest that should be stated in connection with the Transactions, including the Tender Offer.

Furthermore, the remuneration to Plutus for the Transactions consists solely of fixed remuneration to be paid regardless of the outcome of the Transactions, and does not include any performance fee payable subject to the successful completion, etc. of the Transactions, including the Tender Offer.

v) Advice from an independent law firm of the Special Committee

As described in "1. Reasons to Implement Share Consolidation" above, the Special Committee appointed Yodoyabashi & Yamagami as a legal advisor independent of the Tender Offeror Group and the Company Group, as well as the outcome of the Transactions, and received legal advice on the measures to be taken to ensure the fairness of the procedures for the Transactions, and the consideration and deliberation at the Special Committee regarding the Consultation Matters. Yodoyabashi & Yamagami is not a related party of the Tender Offeror Group or the Company Group, and has no material interest in the Transactions, including the Tender Offer. The remuneration to Yodoyabashi & Yamagami is calculated by multiplying the number of hours worked by the hourly rates of its attorneys regardless of the outcome of the Transactions, and does not include any performance fee payable subject to the successful completion of the Transactions.

vi) Advice from an independent law firm of the Company

As described in “1. Reasons to Implement Share Consolidation” above, the Company appointed Oh-Ebashi as a legal advisor independent of the Tender Offeror Group and the Company Group, as well as the outcome of the Transactions, and received legal advice on the measures to be taken to ensure the fairness of the procedures for the Transactions, various procedures related to the Transactions, the method and process of decision-making regarding the Transactions, and other points to note concerning the decision-making by the Company.

As described in “(ii) Background of review” in “(iii) Establishment of an independent special committee and obtainment of a recommendation from the special committee by the Company” in “(4) Measures for Ensuring the Fairness of the Tender Offer Price, Measures for Avoiding Conflicts of Interest, and Other Measures for Ensuring the Fairness of the Transactions” above, the Special Committee confirmed that there is no issue with the independence, expertise, track record, etc. of Oh-Ebashi, and approved its appointment.

Oh-Ebashi is not a related party of the Tender Offeror Group and the Company Group, and has no material interest in connection with the Transactions, including the Tender Offer. The remuneration to Oh-Ebashi is calculated by multiplying the number of hours worked by the hourly rates of its attorneys regardless of the outcome of the Transactions, and does not include any performance fee payable subject to the successful completion of the Transactions.

vii) Establishment of the independent review system in the Company

As described in “1. Reasons to Implement Share Consolidation” above, the Company internally established a system for considerations, negotiations and determinations regarding the Transactions from a standpoint independent of the Tender Offeror Group. Specifically, after receiving the notice on October 1, 2025 stating that the Tender Offeror began consideration of the implementation of the Transactions, the Company formed a project team to conduct consideration of the Transactions, and discussions and negotiations with the Tender Offeror. In principle, the members of the project team are composed of only officers and employees of the Company who are not concurrently serving as officers or employees of each company of the Tender Offeror Group (except for the Company Group) and have never held such position for the past 23 years, and such operation has continued. Among the members of the project team, all 4 members (Managing Executive Officers of the Company) belonged to the Tender Offeror in the past (prior to establishment of the Company in 2002), but more than 23 years have passed since they were transferred to the Company and those members are not concurrently serving as officers and employees of the Tender Offeror Group (except for the Company Group). Further, as the Managing Executive Officers of the Company, those 4 members are currently in the positions of General Manager of Corporate Management Division in charge of Corporate Management Division and Human Resources & General Affairs Division; General Manager of Human Resources & General Affairs Division and General Affairs Department; General Manager of SCM Division in charge of Manufacturing Division and Overseas Business Division; and General Manager of CDM Promotion Division in charge of CDM Division, CDM Promotion Division and ViSpot Business Division respectively, and have deep knowledge about quantitative review in the Company. It is essential and irreplaceable for those members to conduct consideration of the Transactions (including preparation of the Business Plan that

formed the basis of the calculation of share value of the Company) and to be involved in discussions and negotiations with the Tender Offeror. Therefore, on the condition that the independent Special Committee is established and measures to ensure fairness are taken, those 4 members have participated in the said project team. Moreover, the Company obtained approval from the Special Committee that there is no issue with the review systems of the Company including the above operation (including the scope and duties of the Company's officers and employees involved in the considerations, negotiations and determinations regarding the Transactions) from the perspective of independence and fairness.

viii) Approval of all disinterested Directors of the Company and no objection from all disinterested Auditors of the Company

Based on the legal advice obtained from Oh-Ebashi, the financial advice obtained from Daiwa Securities, the details of the Share Valuation Report (Daiwa Securities), the legal advice received from Yodoyabashi & Yamagami through the Special Committee, the details of the Share Valuation Report (Plutus), the Recommendation received from the Special Committee, the contents of multiple continuous discussions conducted between the Company and the Tender Offeror, and any other relevant materials, the Company carefully discussed and considered as to whether the Transactions, including the Tender Offer by the Tender Offeror, would contribute to enhancing the Company's corporate value and whether the terms and conditions of the Transactions, including the Tender Offer Price, would be fair and appropriate. As a result, as described in "1. Reasons to Implement Share Consolidation" above, the Company adopted a resolution to express its opinion in favor of the Tender Offer and recommend that the shareholders of the Company tender the Company Shares in the Tender Offer, at the meeting of the Board of Directors of the Company held on February 13, 2026.

At the above meeting of the Board of Directors of the Company, among 9 Directors of the Company, Mr. Tsuyoshi Miyamura and Mr. Mutsumi Kimura are related parties of the Tender Offeror, and Mr. Koichi Nakao came from the Tender Offeror and one year has not passed since the termination of his tenure in the Tender Offeror. Therefore, in light of the fact that the Company is a subsidiary of the Tender Offeror and the Transactions are of a type in which there are typically issues of structural conflicts of interest and information asymmetry, from the viewpoint of eliminating the possibility that the deliberations and resolutions of the meeting of the Board of Directors of the Company would be affected by such issues, the 6 Directors (excluding the abovementioned 3 Directors) adopted the said resolution by unanimous approval through deliberations.

Additionally, in light of the fact that the Transactions are of a type in which there are typically issues of structural conflicts of interest and information asymmetry, from the viewpoint of eliminating the possibility that the deliberations and resolutions of the meeting of the Board of Directors of the Company would be affected by such issues, among the Directors of the Company, the 3 Directors of Mr. Koichi Nakao, Mr. Tsuyoshi Miyamura and Mr. Mutsumi Kimura did not participate in the deliberations and resolutions of the meetings of the Board of Directors (including the said meeting the Board of Directors) concerning the Transactions, nor have they participated in the discussions and negotiations concerning the Transactions in the capacity of the Company.

Among the Directors who participated in the deliberations and resolutions at the above meeting of the Board of Directors, Mr. Junichi Mineno, Mr. Katsuhiko Kusakabe and Mr. Yoh Hamaoka belonged to the Tender Offeror prior to establishment of the Company in 2002, but more than 20 years have passed since they ceased to hold positions as employees of the Tender Offeror. Furthermore, those 3 Directors have no involvement in the Transactions from the side of the Tender Offeror and are not in a position to do so. Accordingly, it has been concluded that there is no risk of a conflict of interest in the Company's decision-making in the Transactions, and those 3 Directors have participated in the deliberations and resolutions at the above meeting of the Board of Directors.

All the Auditors who attended the above meeting of the Board of Directors (5 Auditors in total) expressed an opinion that they had no objection to adopt the above resolutions. Among the Auditors who attended the above meeting of the Board of Directors, Mr. Takuya Kakemi belonged to the Tender Offeror until March 2020 and Mr. Satoshi Kumo belonged to the Tender Offeror prior to establishment of the Company in 2002, but more than 5 or 20 years have passed respectively since they ceased to hold positions as employees of the Tender Offeror. Furthermore, those 2 Auditors have no involvement in the Transactions from the side of the Tender Offeror and are not in a position to do so. Accordingly, it has been concluded that there is no risk of a conflict of interest in the Company's decision-making in the Transactions, and those 2 Auditors participated in the deliberations and resolutions at the above meeting of the Board of Directors.

ix) Non-existence of transaction protection provisions

The Company and the Tender Offeror have not executed any agreement which would restrict a counter-offeror's contact with the Company, such as an agreement containing transaction protection provisions that would prohibit the Company from contacting a counter-offeror, and have given consideration to ensuring the fairness of the Tender Offer by not preventing any opportunity to make counter-offers or other proposals.

x) Measures to ensure opportunity for the Company's shareholders to appropriately determine whether to tender their Shares in the Tender Offer

As described in "(5) Post-Tender Offer Reorganization Policy (Matters Concerning So-Called Two-Step Acquisition)" in "3. Details of the Opinion Regarding the Tender Offer, and the Basis and Reasons Thereof" of the Opinion Press Release, the Tender Offeror has clearly stated that: (i) the Tender Offeror plans to request that the Company, promptly after completion of settlement of the Tender Offer, convene the Extraordinary Shareholders' Meeting, which will include in its agenda proposals for a) a demand to cash out or the Share Consolidation according to the number of shares to be acquired by the Tender Offeror upon successful completion of the Tender Offer and b) partial amendments to the Articles of Incorporation to abolish provisions regarding the number of shares in one unit, subject to the Share Consolidation becoming effective, and the Tender Offeror will not adopt methods in which the Company's shareholders are not ensured to exercise the shareholders' rights to demand the purchase of their shares and rights to petition to determine the value of such shares; and (ii) in the demand to cash out or the Share Consolidation, it will ensure that the amount of cash to be delivered to the Company's shareholders as

consideration will be determined in a manner in which such amount is equal to the price obtained by multiplying the Tender Offer Price by the number of the Company Shares held by each shareholder (excluding the Company and the Tender Offeror). Accordingly, the Tender Offeror has ensured the opportunity for the Company's shareholders to appropriately determine whether to tender their shares in the Tender Offer, and in doing so has given consideration to avoid coercion of the Company's shareholders.

Although the shortest tender offer period permitted under applicable laws and regulations is 20 business days, the Tender Offeror has set the tender offer period for the Tender Offer at 34 business days, which is relatively longer than the statutory shortest tender offer period. By setting the tender offer period to be relatively longer, the Tender Offeror intends to ensure an opportunity for the Company's shareholders to appropriately determine whether to tender their shares in the Tender Offer, and thereby attempts to secure the fairness of the Tender Offer Price.

4. Disposal of Important Property, Incurrence of Major Obligations, or any Other Event that has Material Impact on the Status of Company Property Occurred at the Company After the Last Day of the Most Recent Business Year

(1) Tender Offer

As described in "1. Reasons to Implement Share Consolidation" above, the Tender Offeror implemented the Tender Offer for the Company Shares from February 16, 2026 to April 6, 2026. As a result, the Tender Offeror came to hold 105,083,101 shares of the Company Shares (ownership ratio: 87.27 %) as of April 13, 2026 (commencement date of settlement of the Tender Offer).

(2) Recognition of Extraordinary Loss and Reversal of Deferred Tax Assets

As announced in the "Notice Concerning Revisions to Financial Results Forecasts for the First Half, Recognition of Extraordinary Loss, and Reversal of Deferred Tax Assets" dated October 23, 2025, the Company recognized an extraordinary loss and reversed deferred tax assets. For the details, please refer to such announcement.

(3) Forgoing of Year-End Dividend

As announced in the "Notice Concerning Revisions to the Financial Results Forecasts and Dividend Forecasts (No dividends) and Partial Return of Executive Remuneration" dated November 11, 2025, the Company adopted a resolution to forgo a year-end dividend for the fiscal year ending March 31, 2026 at the meeting of the Board of Directors of the Company held on the same date. For the details, please refer to such announcement.

(4) Cancellation of Treasury Shares

As described in "(1) Ratio of the Share Consolidation" in "2. Matters Specified under Article 180, Paragraph 2 of the Companies Act (Details of the Share Consolidation)" above, the Company plans to cancel all the treasury shares held by the Company on June 15, 2026, upon a resolution of the Board of Directors held on April 27, on the condition that the implementation of the Share Consolidation is approved at the Extraordinary Shareholders' Meeting.

Proposal No. 2: Partial Amendments to the Articles of Incorporation

1. Reasons for the Amendments

(1) If Proposal No. 1 is approved and adopted as originally proposed at the Extraordinary Shareholders' Meeting and the Share Consolidation becomes effective, the Company's total number of shares authorized to be issued will be 24 shares in accordance with the provisions of Article 182, Paragraph 2 of the Companies Act. For the sake of clarity, the Company proposes to amend the provision of Article 6 (Total Number of Authorized Shares) of the Articles of Incorporation on the condition that the Share Consolidation becomes effective.

(2) If Proposal No. 1 is approved and adopted as originally proposed at the Extraordinary Shareholders' Meeting and the Share Consolidation becomes effective, the total number of issued shares of the Company will be 6 shares, and there will be no need to provide for the number of shares in one unit. Therefore, on the condition that the Share Consolidation becomes effective, in order to abolish the provisions regarding the number of shares in one unit of the Company Share, which specifies that the number of shares in one unit shall be 100 shares, the Company proposes to entirely delete Article 7 (Number of Shares in One Unit) of the Articles of Incorporation and renumber the subsequent articles accordingly.

(3) If Proposal No. 1 is approved and adopted as originally proposed at the Extraordinary Shareholders' Meeting and the Share Consolidation becomes effective, the Tender Offeror will be the sole shareholder of the Company and the provisions concerning the record date for annual general meeting of shareholders will no longer be necessary. Therefore, on the condition that the Share Consolidation becomes effective, the Company proposes to entirely delete Article 12 (Record Date of Annual General Meeting of Shareholders) of the Articles of Incorporation and renumber the subsequent articles accordingly.

(4) If Proposal No. 1 is approved and adopted as originally proposed at the Extraordinary Shareholders' Meeting and the Share Consolidation becomes effective, the Tender Offeror will be sole shareholder of the Company and the provisions concerning the system for providing materials for a shareholders' meeting in electric format will no longer be necessary. Therefore, on the condition that the Share Consolidation becomes effective, the Company proposes to entirely delete Article 14 (Measures for Providing Information in Electric Format, etc.) of the Articles of Incorporation and renumber the subsequent articles accordingly.

(5) If Proposal No. 1 is approved and adopted as originally proposed at the Extraordinary Shareholders' Meeting and the Share Consolidation becomes effective, the Tender Offeror will be the sole shareholder of the Company and the Company Shares will be delisted due to implementation of the Share Consolidation, and thereby the provisions concerning the acquisition of treasury shares by a resolution of the Board of Directors in accordance with the provision of Article 165, Paragraph 2 of the Companies Act will no longer be necessary. Therefore, on the condition that the Share Consolidation becomes effective, the Company proposes to entirely delete Article 38 (Acquisition of Treasury Shares) of the Articles of Incorporation and renumber the subsequent articles accordingly.

2. Details of Amendments

Details of the amendments are as follows. The amendments to the Articles of Incorporation related to this proposal will enter into force on June 16, 2026, which is the date when the Share Consolidation becomes effective, on the condition that Proposal No. 1 is approved and adopted as originally proposed at the Extraordinary Shareholders' Meeting and the Share Consolidation becomes effective.

(Amendments are underlined)

Current Articles of Incorporation	Proposed Amendments
<p>Article 6. Total Number of Authorized Shares The total number of shares of stock authorized to be issued by the company shall <u>four hundred million (400,000,000)</u> shares.</p>	<p>Article 6. Total Number of Authorized Shares The total number of shares of stock authorized to be issued by the company shall <u>twenty-four (24)</u> shares.</p>
<p><u>Article 7. Number of Shares in One Unit</u> The number of shares in one unit of the company shall be <u>one hundred (100)</u> shares. Article <u>8</u> through Article <u>11</u> (Provisions omitted)</p>	<p>(Deleted) Article <u>7</u> through Article <u>10</u> (Unchanged)</p>
<p><u>Article 12. Record Date of Annual General Meeting of Shareholders</u> The company shall regard shareholders who hold voting rights and entered or recorded in the latest shareholder register on the last day of each business year as the shareholders who are entitled to exercise their rights at the annual general meeting of shareholders for that business year. Article <u>13</u> (Provisions omitted)</p>	<p>(Deleted) Article <u>11</u> (Unchanged)</p>
<p><u>Article 14. Measures for Providing Information in Electric Format, etc.</u> 1. <u>When the Company convenes a general meeting of shareholders, it shall take measures for providing information contained in the reference documents of the general meeting of shareholders, etc. in electric format.</u> 2. <u>Among the matters for which the measures for providing information in electric format will be taken, the Company may exclude all or some of those matters designated by the Ministry of Justice order from statements in the paper-based documents to be delivered to shareholders who requested the delivery of paper-based documents by the record date of voting right.</u> Article <u>15</u> through Article <u>37</u> (Provisions omitted)</p>	<p>(Deleted) Article <u>12</u> through Article <u>34</u> (Unchanged)</p>
<p><u>Article 38. Acquisition of Treasury Shares</u> The company may, by a resolution of the Board of Directors, acquire its own shares through market transactions or by other means pursuant to the provision of Article 165, Paragraph 2 of the Companies Act. Article <u>39</u> (Provisions omitted)</p>	<p>(Deleted) Article <u>35</u> (Unchanged)</p>

(End)